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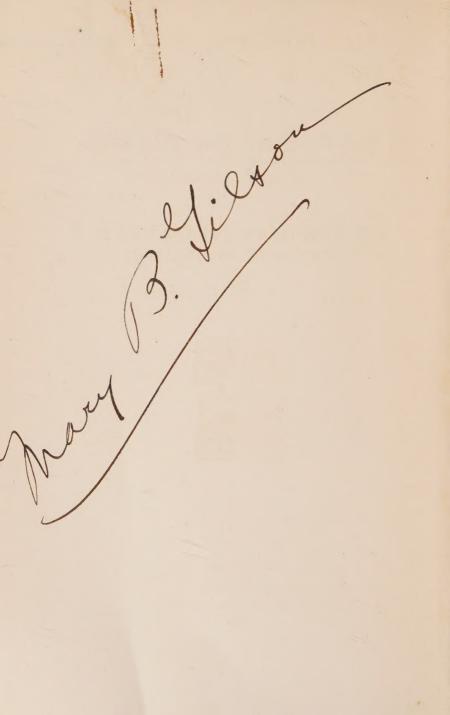
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Mary B. Tilson

#### Hart, Schaffner & Marx (Prize Essays

#### XXX

THE POSITION OF THE LABORER IN A SYSTEM OF NATIONALISM



# THE POSITION OF THE LABORER IN A SYSTEM OF NATIONALISM

A Study in the Labor Theories of the Later English Mercantilists

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#### PREFACE

This series of books owes its existence to the generosity of Messrs. Hart, Schaffner & Marx, of Chicago, who have shown a special interest in trying to draw the attention of American youth to the study of economic and commercial subjects. For this purpose they have delegated to the undersigned committee the task of selecting or approving of topics, making announcements, and awarding prizes annually for those who wish to compete.

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#### **PREFACE**

The material for this book was supplied for the most part by the unusual collection of political and economic literature of the seventeenth, eighteenth, and nineteenth centuries deposited in the library of Yale College through the generosity of Mr. Henry R. Wagner. Modern spelling has been adopted in the quotations and citations.

The writer wishes to acknowledge his obligation to Professor Clive Day, of Yale University, for the many stimulating suggestions which he has given and for his continuous interest in the progress of the study. Also to Mr. Norman S. Buck for much helpful criticism.



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# THE POSITION OF THE LABORER IN A SYSTEM OF NATIONALISM

## CHAPTER I

THE needs and purposes of war restored nationalism to its old position of dominance in the policies of statesmen and the doctrines of economists. The world witnessed a temporary revolution in the realm of industry which supplanted approved ends and means by forms of organization in which both purpose and process were novel; and in the realm of ideas a similar change was at work discarding, amending, reconstructing the postulates and theories of laissez-faire society to bring our structure of economic doctrine into harmony with nationalistic motives and ideals. New standards of fitness were produced to test the survival value of methods of business conduct and forms of industrial organization, superseding mere ability to triumph in the competitive struggle which had served in times of peace to prove the social usefulness of our business structure. Nor was the economic conduct of the individual left to the governance of utility, the power which normally prescribed for him the range and priority of his wants and acted as the propelling force directing his energy in satisfying them; a new touchstone for detecting the worthiness of economic motives — the touchstone of national service — was evolved in the common mind, and the duty of conforming to the new standard was brought home to the individual by moral and legal

sanctions which he could neither disregard nor evade. Had this condition become permanent, many forms of business enterprise, held during the war in a state of suspended animation, would have died out entirely; others would have been placed within bounds and under rigid control; still others, encouraged and expanded under the stimulus of government patronage. No longer could the working-man have proportioned his labor to his own economic needs nor selected his trade at the dictates of profit or inclination; he must have remained at work regardless of the balance of utility and disutility, and sought employment under the direction of a governing power, his energies neither limited nor guided by considerations of personal gain. Sumptuary laws would have become commonplace and freedom of economic activity an anachronism, important only as illustrating the vagaries of an antiquated system of thought. In short, eighteenth-century nationalism would have reappeared.

This impetus toward nationalism developed a momentum which has survived the cessation of hostilities and has carried over into the succeeding economy of peace something of the ideals and the points of view evolved under the pressure of war; collectivism has already become a live issue in Western Europe and America; while in countries where nationalistic impulses have not yet led to the advocacy of extreme policies and programs, a widespread and articulate antagonism toward the proposed re-establishment of cosmopolitan ideals in the nation's foreign policy gives evidence that the popular mind is colored by the point of view of nationalism. This trend in modern thought reawakens our interest in the past experience of nations with the economy of nationalism, conferring new value upon the records of policy and doctrine by which that experience is revealed to us; whereas our present familiarity with the purposes and policies of a nation at war gives us an unusual opportunity to approach this historical study with an enlightenment and a sympathy rarely achieved in the past. In England between the years 1660 and 1775, dominant nationalism produced an intricate system of foreign and domestic policy correlated with a structure of doctrine and theory which in many respects bore a fundamental likeness to that to which we have been growing accustomed in recent years; the literature of that period which has come down to us forms the most complete and coherent collection of writings available to the modern student of nationalistic governmental policy and is worthy of more exhaustive study than has been bestowed upon it in the past.

The body of theory assembled under the name "Mercantilism" by students of economic thought has been studied chiefly in respect of its doctrines of international relationships and its foreign policies. It was evolved in an atmosphere of intense international rivalry and thus bears the impress of a patriotic mode of thought which forced to the front those phases of the social theory which treated of the external attitudes of the nation, and relegated the domestic policy to a position of secondary importance, dismissing with a brevity and vagueness of discussion the relationships of social classes within the nation. Modern students, reflecting this unequal stress, have given disproportionate attention to the foreign policies of this school of thought, and so the term "Mercantilism" has come to connote a structure of theories and policies intended to govern nations in a relationship of economic rivalry. But there is another side to Mercantilism; underlying its international doctrines is a vast body of theory and policy dealing with the domestic economy of the nation and designed as a basis upon which to erect the outstanding structure of foreign policy. This phase of Mercantilism is of interest because it illustrates the reaction of nationalism upon the class relationships and the life conditions of the people within the nation. It deals primarily with the position of

the laborer in the economic organization of the country; with a formulation of his rights and duties; with a statement of the principles which should govern his standard of living; and, to a smaller extent, with a discussion of how much his wages will, or ought to, be. The purpose of the present writer is to give this phase of Mercantilism intensive study.

#### CHAPTER II

### THE DOCTRINE OF THE NATIONAL IMPORTANCE OF THE LABORER

THE key to the labor doctrine of the Mercantilists is to be found in their concept of national wealth. To judge from the immense mass of literature which this pamphlet-writing century has left behind it, the subject of the nation's wealth enlisted the interest of all men, for patriotism united with man's natural curiosity to force this subject upon their attention. This body of nationalistic doctrine, as is usually the case, was evolved in an atmosphere of intense and bitter international rivalry. Various forces combined to make the over-emphasis upon the importance to the nation of the supply of precious metal a common error, and the axiom, bred of this error, that one nation could grow rich only at the expense of a rival state, made of nations natural enemies. The resulting international jealousy induced government to develop domestic policies looking toward self-sufficiency and the highest possible competing power as national ideals, while, largely owing to these forces, the political conjuncture in which Mercantilist thought was worked out was one of almost incessant warfare: and this fact in turn reacted to nourish an aggressive and irritable patriotism. The rivalry of states in that day was at bottom an economic rivalry: a striving for the aggrandizement of national wealth which could be devoted to the crushing-out of enemies and the establishment of the victor in a position of supremacy and dominance among the nations of the world.

It is important that we grasp the full significance of the Mercantilist's concept of national wealth before attempting to study the labor doctrines which proceeded from it.

In modern society, wherever laissez-faire rules, the wealth of the nation is measured by a standard appropriate to the postulates of laissez-faire: the standard of values. And this means, in fact, the measuring of wealth by the standard of its utility to those who are able to buy it — those, namely, who control the purchasing power of the nation. The act of buying translates utilities into money terms and we exhibit the sum of values as the equivalent of the nation's wealth. In modern laissez-faire society, then, no regard is paid by a collective agency, representing the corporate interests of the nation, to what kind of economic goods will comprise the sum of our wealth; the possessors of purchasing power are free to dictate what form the nation's wealth shall take, and in wielding this power they are governed only by considerations of the utility of economic goods to themselves as consumers, regardless of the worthiness of their wants and the general outcome of their effective demand upon the nation's productive energies. The form of the nation's wealth must change constantly under the impulse of changing fashions and modes of living, tending at all times toward a more complete correlation with the effective demand of society, but never reaching an equilibrium more stable than the mutable wants of mankind. There can be, therefore, no forecast or prediction as to what kind of economic goods shall comprise the sum of national wealth under a régime of laissez-faire; indeed, such forecasts have little significance in a laissez-faire society, for all goods to which men claim ownership, whatever the form of the goods or the character of the want which they satisfy, are wealth indiscriminately.

The Mercantilist held no such concept of national wealth, nor is such a concept conceivable in any nationalistic system of thought. For in a system of economic theory constructed from the point of view of national — as distinct from individual — ends and ideals, it is the form of economic goods, not their value in a competitive market,

which gives wealth its significance. So considered, national wealth is composed of only that part of the economic goods within the country which is serviceable, directly or indirectly, in prosecuting group aims and purposes. In other words, there are national wants, and the significance of economic goods is tested by their fitness to satisfy these wants. Nor does the satisfaction of a national want consist in the gratification of the nation's people, for it is not true of Mercantilistic theory, as it is of the Utilitarian, that the goal of national endeavor is the economic prosperity of the individual citizens. On the contrary, the national aims are apart from, and superior to, individual self-interest, and demand for their attainment wealth of a peculiar form; economic goods within the country which do not possess the appropriate form to satisfy national wants are not considered a part of national wealth at all, but non-essential in varying degrees. Our own recent experience with the economy of war has given us emphatic illustration of the contrast between these two concepts of national wealth. With the nation at war the form of our goods, rather than their value, became the supreme consideration; our lists of "non-essential industries," our efforts to create national utilities in goods which did not before possess them, and to "mobilize" the nation's energies to the prosecution of group aims and purposes, were phases of a problem which in Mercantilist economy was normal and commonplace.

The economic policy of the Mercantilist was dominated by this conception of national wealth as a stock of goods useful to the nation in the achievement of its aims and purposes. He repudiated with scorn the notion that the uncontrolled self-interest of the individual citizen would direct production as best comported with the interests of the nation, insisting that average prosperity within the nation was no index to national wealth. The present-day economist would find it hard to convince himself that the nation could be rich while its people were hungry or in rags, but, holding a different concept of national wealth, the Mercantilist did not perceive that the poverty of the majority was incompatible with the wealth of the whole; quite the contrary, he came to believe that the majority must be kept in poverty that the whole might be rich. At times he proposed that a high standard of comfort among the great body of the common people was destructive of national wealth; at others, that an effective means of enriching the nation was to multiply population beyond the point where average prosperity would begin to decline; much more frequently did he urge the good policy of rejecting the cheaper in favor of the dearer means of acquiring economic goods. insisting that only by directing production into channels which it would not naturally follow could the nation be assured that its wealth would appear in a serviceable form. In advocating these policies he was unconscious of the inconsistency which present-day critics have so frequently urged against his doctrines, for there was not that in his concept of national wealth which forced upon his attention an estimate of the economic well-being of the average citizen.

In approaching a study of the body of doctrine which coheres about the Mercantilist's concept of national wealth, it must be urged that the writers embraced in the period under review do not form a "school," that theories were in a state of flux which caused them to change shape and form with the passing of the decades so that frequently the parent theory appears to bear no resemblance to its offspring, and that agreement among the writers upon one or more points does not commit them to agreement upon others. With all their diversity of opinion, however, the writers do concur with considerable unanimity in two sets of doctrine: (a) the balance-of-trade theory with its manifold derivative principles; (b) a set of doctrines which, along with many incoherent ideas, contains as a solid core a statement of the national importance of the laborer.

Though the former has received the almost exclusive attention of students and has stamped the group of writers with its name, it is with the latter that we are principally concerned. The balance-of-trade doctrine, it is true, for a long time held the attention of the social writers, for the Mercantilist notion of national wealth turned their eyes toward foreign trade and foreign commercial relationships and relegated to a position of secondary importance the internal trade and the native laborer of the nation. This doctrine is sufficiently well known to require but the briefest treatment here. It is grounded in that theory of national wealth which the term "Mercantilism" generally connotes. Originally the money metals were held to constitute national riches per se, and the amount of the nation's wealth was supposed to be proportionate directly to the supply of silver and gold within the country. Any inflow of precious metal was hailed as a net increase of the wealth of the nation and any outflow was condemned as a net loss. In a country possessing no mines, such a theory makes of foreign trade the sole source of national wealth and commits the nation to the prosecution of every advantage that can be gained over foreign commercial rivals by bargain, treaty, or the force of arms. The interchange of goods for goods — that solid foundation upon which all trade rests - was held to cancel out, leaving no remainder of increment or decrease in the wealth of the nation. Only such exchanges as left a balance to be settled in money entered into the nation's balance sheet, and these exchanges were adjudged "favorable" or "unfavorable" accordingly as the balance due was receivable or payable by the British merchant. With simple directness the earlier Mercantilists had judged each trade upon its own merits, condemning out of hand all interchange with those nations whose purchase of English wares was insufficient to cover the full value of England's purchases from them. Such trading, it was urged, should be prohibited entirely by Parliament or

else hampered by taxes and tariffs such as would amount to a virtual prohibition. On the other hand, trading with countries whose purchase of English wares overbalanced their sales to England, and who were for this reason under the necessity of paying an annual balance in precious metal, was to be selected for tender treatment by the government. Such a policy, if continued, it was thought, would enable England to exact tribute from every nation with which she had commercial interchange, and thus, constantly adding to her monetary stock while subtracting nothing through the exportation of precious metal, each year would bring a net increment to England's wealth. This heaping-up of treasure would continue unchecked through the years, and the eyes of the patriotic writer glistened at the prospect of progressive increase in wealth, glory, and power which would carry his country to a place of dominance among the nations of the world.

The increasing complexity of international commercial relationships necessitated the first revision of this theory. Importation of wares looking toward a re-export to more favorable markets made of England an entrepôt for the product of many nations whose purchases of English wares were negligible. The merchants engaged in this trade, especially the East India merchants, were put upon trial before public opinion for reducing England's wealth by carrying on a commerce which, while it enriched the merchants, was "unfavorable" to the country as a whole; and in self-defense they forced a re-examination of the theory so generally accepted as true, with no great difficulty pointing out the fallacy of a hasty condemnation of all trading whose first steps required an exportation of precious metal. The real merits of the trade, it was asserted, could not be known unless it was allowed to complete itself; the money metal exported to cover the purchase of goods might be returned with increase when those goods were finally disposed of in foreign markets, and so the bargain, apparently unfavorable in its first stages, might turn out to be of profit to the nation. Without discarding the Mercantilist notion of national wealth, this revision of the theory modified the criterion by which the ebb or flow of that wealth was to be gauged; the annual balance of the total foreign trade of the nation was now the deciding factor; if this balance indicated a flow of money metal into the country, national wealth was increasing; if the flow were outward, decreasing. This position was established to the satisfaction of the "balance-of-trade" group by Thomas Mun in 1664, though later, as more correct notions of the principles of money were evolved, the money metals lost their significance as the true and only embodiment of national wealth; the correction was made, however, in such a way as to retain the balance-of-trade concept.

Upon accepting the "favorable balance" as the cause of an increase in national wealth, the thinkers of the day were led to search out ways and means which would produce an importation of precious metal. The proximate cause was not far to seek; whenever the value of the year's exports exceeded that of the imports, the balance would be favorable. Hence it appeared of primary importance that the commodities exported be both great in amount and of the highest possible value while the opposite should be true of those imported; from this we have the familiar doctrine that native products should leave the shores of England only in the finished state. Not wool, but cloth; not undressed cloth, but cloth finished and dyed, should be exported. To allow wool, which might be spun and woven into cloth whose value in bulk would be ten times as great, to be shipped in the crude state, seemed most

<sup>&</sup>lt;sup>1</sup> Compare Cunningham, English Industry, Modern Times (1892), p. 266, where the idea of the general balance of trade is said to have preceded that of the particular balance.

<sup>&</sup>lt;sup>2</sup> Thomas Mun, English Treasure by Foreign Trade (1664). (Posthumous.)

<sup>&</sup>lt;sup>3</sup> See below, pp. 62 f.

obviously to let slip a large potential gain. On the other hand, imports should be both small in amount and in the form of lowest value; not manufactured goods, but raw materials were profitable. The reason in this case was double; not only would the restriction of imports to raw materials reduce the debit entry in the balance to its lowest terms, it would also afford an opportunity for raising the credit entry since these raw materials, having been treated by domestic labor, might be re-exported at a greatly increased price to swell the total outward trade of England.<sup>1</sup>

Working from these premises and searching out the more remote and fundamental causes of a favorable balance of trade, the Mercantilist was compelled soon to ponder over the place held by the laborer in this scheme of national economy. If it be desirable to work up the entire raw produce of the country, a supply of labor sufficiently large and sufficiently skilled is necessary. It seemed apparent to the Mercantilist thinker that the superior value of manufactured goods was due to the labor expended upon them to adapt them to men's wants, or, adopting the term of a leading writer, 2 to "meliorate"

¹ The influence of these ideas upon the trade policy of England may be illustrated from the regulation of wool and the woolen cloth trade. By 12 Car. II, cap. 22, the exportation of raw wool was prohibited; 12 Geo. II, cap. 21, permitted the importation of Irish wool duty free through certain ports, and 26 Geo. II, cap. 11, made this permission general, thus assuring England of an adequate supply of raw material. To increase the efficacy of these provisions, various schemes were proposed to put a stop to the "running" of wool. See for example two proposals advanced in the year 1741 by S. Webber, Scheme for Preventing the Exportation of Wool, and A. Sympson, Method to Prevent the Running of Wool.

The importation of the necessary dyes was relieved of duty by the Act of 8 Geo. I, cap. 15, while 31 Geo. II, cap. 15, and 5 Geo. III, cap. 18, gave state encouragement to the cultivation of madder. A good example of the belief that manufactures should be exported only when completely finished is furnished by the Act of 8 Anne, cap. 8, which placed a heavy duty on the exportation of unfinished woolen cloth.

<sup>2</sup> William Petyt, Britannia Languens (1680), p. 23.

them. Given, now, the two alternatives of exporting, on the one hand, the raw produce of the nation, and on the other, the manufactured goods which could be obtained by the application to this raw produce of the labor of the domestic artisan, it was accepted as incontestable that a choice of the latter alternative would result in a national gain equal to the difference in the values of the two forms of export. This statement would be immediately challenged by the present-day economist; he would desire to know at what labor cost the manufactured articles were produced and whether other more productive fields of employment did not exist for the labor power expended. He might possibly conclude that the most economical way for the nation to obtain its supply of manufactures would be to export raw materials exclusively. But no such doubts disturbed the mind of the eighteenth-century thinker; it sufficed to demonstrate that of exports equal in bulk those composed of finished products would command a higher value, and this was the final answer to his question. To put the case in its strongest form, let the country import raw materials only, work them into the shape of finished goods, and export the final product; let these two items be balanced against each other in the annual trade statement and the balance must of necessity be favorable. Raw materials afforded by the natural resources of England, herself, would likewise increase in value when treated by domestic labor, and when exported as finished products they would prove of even greater profitableness to the nation; for since these raw materials had not been imported, no debit entry would appear in the Mercantilist's trade statement to reduce the credit entry made possible by the exportation of the finished product. The whole value, it was believed, was contributed by the native artisan to the wealth of the nation. Believing that the importation of raw materials and the exportation of finished products would result in a gain to the nation equal

to the difference in the values of the imports and exports, it appeared to the social observer of the time that this addition was drawn from the labor of the English workman who, by virtue of his labor, had raised the value of the material as it passed through his hands. These ideas are disclosed by an examination of the writings of a few of the typical Mercantilist authors.

Charles Davenant, who wrote at the end of the seventeenth century, emphasized the great advantage which the nation gained from exporting materials produced wholly within her borders. In the case of such goods, he asserted. the entire value of the exported product was "gained to the kingdom." Of less importance, although profitable, was the trade in commodities whose raw material was imported from the colonies or from foreign countries. This trade produced a "neat profit" equal to the difference between the value of the exported product and the cost of the raw material. A similar evaluation of the second kind of trade was made by Sir Walter Harris, who attempted to give point to his remarks by estimating the exact money profit to be derived upon each unit of raw material. The profit was a clear gain to the nation being "raised upon the labor of our people." 2 Approaching the subject from the same point of view, the author of England's Interest contrasted the relative values of the raw materials and

<sup>1 &</sup>quot;Whatever goods we make up of foreign materials and sell in the markets abroad, all above the cost of the materials is clear gain to England; in the same manner all our clear returns from the plantations which we export are neat profit; but where the materials and manufactures are both our own... two millions carried out when the general balance of trade is considered, must be esteemed as two millions gained to the kingdom." Charles Davenant, Essay upon Probable Methods... (1699), p. 97.

<sup>2 &</sup>quot;In the white clothes, all that we make of them above the cost of wool and oil is raised upon the labor of our people and is clear profit to the kingdom. As suppose the wool and oil for one piece of cloth cost three pounds and that the cloth yields thirteen pounds, then ten pounds is raised by the labor and workmanship of the manufacturers." Sir Walter Harris, Remarks on . . . England and Ireland (1691), p. 48.

the finished products, exhibiting the difference in value as a "loss to our nation" through failure to work up the material within the country. Various writers applied these same tests to the particular industries of England and found that they were not all of equal profit to the nation. Thus one author stated in 1713 that the woolen manufacture answered all the requirements of a profitable trade; the goods were exported in the finished state, while "little or no" importation was required in carrying on the industry. The silk manufacture, too, was profitable to the nation; for, although an importation of raw material was necessary, the value of the product doubled under the hand of the weaver and when exported silk goods returned "a clear profit to the nation of 565,000 pounds (being the people's labor)." 3

Along with such notions as these regarding the source of national wealth and the relative value of different forms of trade goes an interest in the supply and character of the labor of the country. And thus, although the peculiar concepts of the Mercantilist led to an exaggeration of the importance of external trading and to a belittling of domestic economic relationships, still this very interest in foreign trade gave the laborer a position of great importance in

<sup>1 &</sup>quot;Their [i.e., the Dutch] great advantage upon us herein hath been in our long worsted wool where the workmanship is treble the value of the wool, as in druggets, worsted hose, etc... where the loss of each pack is about fifty pounds loss to our kingdom in the manufacture." Interest of England, anon. (1694), p. 8.

<sup>2 &</sup>quot;'T is a truth generally recognized that as the wealth and riches of the nation consist in trade, so is that trade of more or less worth to that nation by the manufactures that are in it, especially when to make these manufactures little or no materials which compose them are imported from abroad but are the product of our country, as in the case of our woollen manufacture. But this advantage would be of but little profit if those manufactures were not exported into foreign parts, there exchanged for money or for materials absolutely necessary... to prevent the exportation of our coin into other countries." State of the Silk and Woollen Trades, anon. (1713), p. 3.

<sup>3</sup> Ibid., p. 7.

his system of thought. The social writers of the time were fully alive to the importance which the logic of their theories gave the laborer, as will be seen from an examination of their writings. Defoe supplies us with a clear statement. In the second volume of his ambitious but short-lived work, A General History of Trade, he sets himself the task of discovering the causes of the prosperity of the Flemings. This people, says he, grew rich at the expense and by reason of the stupidity of the English who provided them with wool with which to manufacture a cloth to be exported at a value greatly in excess of their imports. The writer, in generalizing from the facts of the case, says:

A native produce in any country will by consequence bring a trade to that country.

But it is the labor and industry of the people that alone brings wealth and makes that trade profitable to the nation.<sup>1</sup>

More than half a century before Defoe wrote, Thomas Mun pointed out the importance of the laboring classes of a country, asserting that the source of national wealth lay in this body of the population.<sup>2</sup> In 1680 William Petyt, who shared with others of his time gloomy forebodings as to England's commercial future, sought out the causes of a supposed decay of trade. His review of the situation was summed up in the general law that "sufficient stores of treasure cannot otherwise be got but by the industry of the people," and he concluded that, therefore, the laborer was to be considered the source of national wealth.<sup>3</sup> Ad-

<sup>1</sup> Daniel Defoe, A General History of Trade (1713), 11, p. 30.

<sup>2</sup> "We ought... carefully to maintain those endeavors of the multitude, in whom doth consist the greatest strength and riches of both king and kingdom; for where the people are many and the arts good, there the traffic will be great and the country rich." Thomas Mun, English Treasure (1664), p. 31.

<sup>3</sup> "It is evident that national power is not chimerical but is founded on people and treasure; and that according to the different conditions of these its true pillars, it immediately grows more vigourous or languid; that sufficient stores of treasure cannot otherwise be got than by the industry of the people.... People are, therefore, the chiefest, most

vocating as a means toward the enrichment of the nation that familiar project, the home manufacture of all native raw material, Petyt proceeded to compute the economic importance to the nation of the body of manufacturing laborers:

The labors of the people bestowed in this way must necessarily glomerate the riches of the world and make any nation a prodigy of wealth; for while vast numbers of manufacturers are thus continually improving the value of some commodity or other, they work for the nation where they live as well as for themselves; if 100,000 manufacturers get 6l. per annum apiece, the nation must gain or save 600,000l. per annum by their labors (supposing the materials to be meliorated only to the value of their wages). If the number of manufacturers be greater or the same number gain more apiece, then is the national gain still greater in proportion.<sup>1</sup>

This quotation discloses how a social valuation was put upon the labor of the people. "Vast numbers of manufacturers continually improving the value of some commodity or other, work for the nation where they live as well as for themselves." By their labor a large exportable product of high value is made possible with the result that

fundamental and precious commodity, out of which may be derived all sorts of manufactures, navigation, riches, conquests and solid dominion. This capital material being of itself raw and indigested is committed into the hands of supreme authority in whose prudence and disposition it is to improve, manage and fashion it to more or less advantage." William Petyt, Britannia Languens (1680), p. 238.

<sup>1</sup> William Petyt, Britannia Languens (1680), p. 23. This writer appears to believe in the economy of high wages in opposition, as we shall see, to the trend of thought in his day. But the objection advanced against high wages is one Petyt disregards. The laborer was believed to contribute to the wealth of the nation in proportion to his wages only by assuming that the commodity he produced could be sold abroad at the valuation it received from the wages cost. If wages were high this valuation would be high, hence if the commodity could be sold, the national gain would be great. Other writers believed that this higher value would preclude the sale of the goods and that the stream of national wealth would be dried up entirely, not increased, if high wages obtained in England. These theories are discussed in chapter vii.

the nation is enabled to draw stores of treasure from abroad. In performing this service, the laborer contributes to the nation's gain in some proportion to the wages he receives (for our writer holds a somewhat vague notion that value is determined by wages cost) and thus from his labor is drawn the country's wealth.

Through the volume of economic writings which followed Petyt's time, the sentiment is reiterated again and again, that the labor of the people is the source of the nation's wealth. Whether reasoning from the premises which we have shown were the starting-point of the Mercantilist's analysis, or merely repeating without criticism the dogmas of the leading thinkers of their group, later writers in a multitude of statements emphasize the national significance of the laboring classes of England. Sufficient illustration of the spread and persistence of this opinion may be gleaned from a comprehensive survey of representative writers at different points during the period. Thus Lawrence Braddon asserted in 1723 that England owed her wealth to "the labor of the poor" 1 and John Cary, Governor of the South Sea Company, argued that further gains in national wealth would be "raised by the industry of her people." 2 Cary arrived at the conclusion, expressed by Petyt, that the economic value of the laboring population was represented by the increase in the price

1 "The riches and power of a nation do increase in the same proportion as their exportation in value doth exceed their importation and consumption. And all things to be exported must be either what is natural or what is made; and neither of these can be had or exported without the labor of the poor. It is therefore to them as necessary instruments that England owes that increase of our foreign trade which hath enriched our nation." Lawrence Braddon, To Pay Old Debts (1723), p. vi.

2 "The profits of this kingdom arise from its produce and manufacture at home and from its growths of these several plantations it hath settled abroad, and from the fish taken on the coasts, all of which being raised by the industry of its people are both its true riches and the tools whereby it trades to other nations, the products coming from the earth and the manufacturing them being an addition to their value by the labor of the people." John Cary, Discourse (1696, ed. 1743 quoted), p. 2.

of exported commodities which resulted from their labor expended upon raw materials:

Handicrafts [are a benefit to the nation]... who supply us with things for our own use which must otherwise be had from abroad and also with others which when exported are more or less profitable as the labor of the people adds to their value.

In like manner, Pollexfen, attempting a theoretical analysis of trade and trading principles, said of the laborer: "Our moveable riches had their original and must have their increase from the labor and industry of our people." <sup>2</sup> And further along in his investigations the writer reiterated the sentiment in these words, "The original of our moveable riches must be from labor, industry and foreign trade," and concluded with this significant precept: "The employment and good management of our people must be the way to get riches." <sup>3</sup>

Further expression of the national importance of the laborer is found in the writings of William Hay. Though this writer, whose book appeared half a century later than that of Pollexfen, discloses a broader view of the problems of domestic economy than earlier thinkers, he does not depart in his conclusions from the basic principles of the balance-of-trade Mercantilists. This is shown in the following quotation:

The source of wealth is from the number of its inhabitants; ... the more populous a country is, the richer it is or may be.... For the earth is grateful and repays their labour not only with enough but with an abundance.... Now whatever they have more than they consume, the surplus is the *riches* of the nation. This surplus is sent to other nations and is there exchanged or



<sup>&</sup>lt;sup>1</sup> John Cary, op. cit. p. 21.

<sup>&</sup>lt;sup>2</sup> Sir Henry Pollexfen, Of Trade (1700), p. 43. The writer proceeds: "All of which depends upon having many people; therefore the obtaining more and well employing those we have deserve attention in the first place." *Ibid.* These conclusions, shared by many others, had an important effect upon the domestic policy of England as we shall see in later chapters.

<sup>&</sup>lt;sup>3</sup> Ibid., pp. 153, 158.

sold, and this is the Trade of the nation. If the nation to which it is sent cannot give goods in exchange to the same value they must pay for the remainder in money; which is the balance of trade; and the nation that hath that balance in her favor must increase in wealth.

This writer serves by way of contrast as well as illustration. To derive the "wealth of the nation," he first subtracts the amount consumed from the total production of the country, and designates the "surplus" only as national "riches." From this point of view he shows his freedom from the cruder Mercantilist fallacies, though in carrying his thought forward, the writer follows well-worn paths, concluding that this surplus can increase the stock of wealth in the country only by being exported, and even then only in case "the nation to which it is sent cannot give goods in exchange to the same value, but must pay the remainder in money." This conclusion is so orthodox as to be stereotyped, but Hay has already made an advance when he introduces, or hints at, the factor of labor cost at home as influencing national wealth. The more populous country "may be" the richer, provided the earth is "grateful" enough to "repay their labor with an abundance." This thought, though not without precedent in the theory of earlier writers, 2 is a departure from the orthodox Mercantilist doctrine. It certainly implies that there is at least the possibility of a labor cost so large as to leave no "surplus" above the consumption of the laborers and hence no addition to national wealth from the employment of the people; indeed, there is no logical reason why this labor cost might not be in excess of the amount produced and so result in a reduction of national income. And herein lay a safeguard against the "make-work" fallacies of other theorists who believed that merely setting the English laborer

<sup>&</sup>lt;sup>1</sup> William Hay, Remarks on the . . . Laws (1751), pp. 19 ff.

<sup>&</sup>lt;sup>2</sup> Hay is, in fact, unconsciously under the influence of Petty, to whom he refers as, "an anonymous writer of 1677." The reference is probably to a plagiarism of Petty's *Political Arithmetic*. See Hay, op. cit. p. 21.

to work upon commodities which were being imported from other nations, or upon those which England was exporting, would of necessity increase the favorable balance and result in national gain. 1 Hay does not stand alone on this point, nor is he by any means the best representative of the more critical thought, for that place must be conceded to North, who over half a century earlier, in a remarkably penetrating analysis, 2 discovered the fallacy of the Mercantilist reasoning regarding employment; also contemporaneous with Hay some of the more advanced minds were developing the theory of national wealth along lines which foreshadowed the revision of Mercantilist doctrine by the Utilitarians.<sup>3</sup> Possessing a different criterion of national wealth, the tendency of this group was to belittle the importance of foreign trade and to argue the possibility of increasing national prosperity by industrious exploitation of the nation's resources.4 But they were in advance of their times; the main current of thought ran in another channel, and the dominant nationalism of the day overrode their efforts to establish Utilitarian principles.

<sup>1</sup> It is not apparent that Hay was conscious of the implications of his theory. Indeed his main purpose is to create employment. But his case is more plausible than that of some other writers because he has in mind only those laborers who are intentionally idle, and yet, by the grace of the Poor Law, allowed "to prey . . . into the wealth . . . of the nation." See op. cit. p. 24.

<sup>2</sup> Sir Dudley North, *Discourses of Trade* (1691). But this book did not really see the light until a century later, so its influence upon the thought of the period may be adjudged nil. Thus J. H. Hollander in the Introduc-

tion of his reprint of this book (1907).

<sup>3</sup> The best representatives of these writers are, perhaps, George Berkeley, Bishop of Cloyne (*The Querist*, 1735) and Josiah Tucker, (*Elements of Commerce*, 1755). This book of Tucker's was a privately

printed work which had no circulation.

4 "Whether upon the whole a domestic trade may not suffice in such a country as Ireland to nourish and clothe its inhabitants and provide them with the reasonable conveniences and even comforts of life? Whether if there were a wall of brass a thousand cubits high round this kingdom, our natives might not, nevertheless, live . . . comfortably." George Berkeley, The Querist (ed. 1750), p. 15.

The trade rivalry and commercial warfare of the nations supplied the theme of patriotic writers, who argued plausibly that England's victory or defeat in the battle for markets was indicated by the balance of her trade statement by which the rise and fall of her wealth was to be measured. In the development of the highest possible competing power lay the hope of England's triumph, competing power which could be attained in no other way than by conscious and purposeful direction of the labor energy of the people to the end that England might levy tribute upon the nations of the earth whose markets were subjects of her commercial conquest. So firmly grounded was this belief in the reliance of the nation upon the labor power of her lower classes, that with the passing of the years there was evolved a doctrine attaining almost the force of an axiom that the English workman occupied a position of strategic national importance. A number of brief quotations will serve to illustrate the tenacity with which this opinion held its place in the thought of the day:

It is an undoubted maxim that the wealth of the nation consists in the numbers of its people well employed.

The riches of a nation arise out of the labor of its people exported to foreign markets. . . . If our wool were manufactured at home, all our people might be employed and their wages paid by foreigners.<sup>2</sup>

The poor in every country are the class of people of the first importance. Their industry is the only source of wealth in every country.<sup>3</sup>

<sup>1</sup> The National Merchant (1736), p. 128.

<sup>2</sup> Gentleman's Magazine, x, 500 f. By a "Woollen Draper."

<sup>&</sup>lt;sup>3</sup> Charles Townshend, National Thoughts (1767), p. 1. Space does not permit a detailed quotation from all authors by whom this doctrine of the social importance of the laborer is expressed. The following condensed summary may serve to illustrate the generality of the idea: Nicholas Barbon, Discourse of Trade (1690), p. 55: "The people are the riches and strength of the country." John Law, Proposals (1701), p. 62: "People and their industry are the truest and most solid riches of a country, in so much that in respect to them all other things are but imaginary." John Bellers, Essay (1714), p. 37: "Regularly laboring people are the

A convincing illustration frequently employed by writers of the period to show how a nation might exploit the labor of her people to induce a favorable balance of trade was afforded by the Dutch. The Englishman of the eighteenth century was convinced that this people were a living example of the correct working-out of Mercantilist principles; the wealth of the Dutch was ascribed to the continuous favorable balance of their foreign trade and this to the industry and parsimony of her laboring population. The domestic policy of England, as we shall see, was to a large degree shaped by the belief that that nation, were she with wisdom equal to that of the Dutch to direct and enforce the industry of her laborers, might, nay "must necessarily glomerate the riches of the world."

It will strike the modern student of this period as an anomaly that the English laborer should have been held in such extreme theoretical importance. For the orthodox present-day theory of distribution teaches that the economic importance of individuals or groups of individuals can be measured with approximate accuracy by considering how they share in the social income. In the existing economic structure, so it is believed, incomes are adjusted

kingdom's greatest treasure and strength." Thomas Baston, Thoughts on Trade (1716), p. 20: "The number of the inhabitants of any country are the wealth and strength of it, especially the ingenious, industrious, and trading people." Braddon, To Pay Old Debts (1723), p. 6: "The poorer sort . . . are the hands and feet, the wealth and strength of the nation." Considerations on the Bill for General Naturalization (1748), p. 1: "The wealth and strength of a nation is usually proportionable to the number of its inhabitants." Josiah Tucker, Important Queries (1751), p. 19: "Is not that country richest which has the most labor?" Henry Fielding, Enquiry (1751), p. 1: "That the strength and riches of a society consists in the numbers of the people is an assertion which hath attained the force of a maxim in politics." David Hume, Political Discourses (2d ed. 1752). p. 50: "In the stock of labor consists all real riches and power." Arthur Young, Farmer's Letters (1767), p. 159, where labor is called "the chief support of the nation." Robert Potter, Observations (1775), p. 1, where it is stated that "national riches, strength and glory" depend on the laboring poor. <sup>1</sup> For a discussion of this view, see chapter v.

by competition until they equal the contribution made by their recipients to the total social product. If this is true, the income may be taken as an equivalent of that contribution; and since the annual product is none other than the sum of these individual incomes, it follows that the importance of any person considered as a contributor to national well-being is equal to the income which he derives. Confidence in the theory of to-day would lead us to grade and classify the individuals of a country according to the sizes of their incomes and utilize the result as an index to the importance of our social classes as sources of the nation's wealth. Now the most striking element in the economic position of the English laborer during the period we are studying is his poverty; for no considerable period did he receive much more than subsistence wages and for certain stretches of time his money wages were insufficient to supply him with the barest essentials of physical existence.1 That the mass of under-nourished, half-clad, and improperly housed people, who composed the laboring class at the end of the period, could have been considered by contemporary thinkers as possessing any great importance to the nation must strike the modern observer as impossible. He is led to conclude, therefore, either that the laborer was held in small esteem because he was supposed to contribute little to the nation's wealth, or that justice was not done him in the allotment of shares in the national income. But upon studying the thought of the period, he finds that neither of these alternatives was held by the contemporary writer; on the one hand, the importance of the laborer as a source of wealth was considered supreme; on the other, there were few to question the justice of reducing the laborer's share to its lowest possible terms.

It is true that doubt as to the justice of the existing system of distribution did oppress the minds of certain

<sup>&</sup>lt;sup>1</sup> The facts of the laborer's economic condition during this period are discussed in Appendix I. See chart on p. 206.

writers during our period. Indeed, a widespread belief that labor was the source of national wealth, and the conviction which this belief wrought that the laboring class was of supreme social importance, could scarcely have persisted without setting the minds of the more humane to pondering over the discrepancy between the theoretical service of the laborer and his actual reward for that service. It is apparent that the germ of the socialist theory lies in this Mercantilist doctrine, and as thought matured, sentiments were expressed in which we may find an approach to present day Socialist teaching. These sentiments are too scattered to permit of their being united into a consistent body of doctrine, but at times they appear as an outspoken denunciation of the existing distribution of wealth, and they are usually prefaced by a significant statement of the national importance of the laborer. Thus Chamberlen wrote:

This may be a note to all men, especially to statesmen to look no more upon the poor as a burden but as the richest treasure of a nation, if orderly and well-employed. Which is the more manifest if we consider first, that though they multiply more than the rich yet they do not only feed and clothe themselves but the rich men are fed and clothed and grow rich by what they get out of the poor's labor over and above their maintenance. Secondly, that the poor bear a greater burden of taxes in the city and elsewhere. For the rich either abate what they get out of the poor's labor or (which is worse) permit them to starve for want of employment.<sup>1</sup>

## And Bellers:

Regularly laboring people are the kingdom's greatest treasure and strength, for without laborers there can be no lords; and if the poor laborers did not raise much more food and manufacture than what did subsist themselves, every gentleman must be a laborer and every idle man must starve.<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> Peter Chamberlen *Poor Man's Advocate* (1649), p. 30. The "poor," as the term was used by these writers, embraced the entire laboring population, not alone the paupers. The word will be used in this sense in the present essay.

<sup>&</sup>lt;sup>2</sup> John Bellers, Essay (1714), p. 37.

Such sentiments as these, though they show their derivation from the doctrines of the day, are not far removed from Marxian Socialism. Baston, who believed that the "inhabitants of a country are the wealth and strength of it." advises "gentlemen of fortune to reflect that without the help of the poor or meaner sort of people, they could not be mounted so much above the common level." 1 It is true this writer finds divine sanction for unequal distribution of wealth, 2 but the sentiment he expresses might easily be turned to different conclusions by less conventual minds.

A similar tone runs through the writings of a correspondent to the Gentleman's Magazine in 1754, who says: "I plead the cause of the poor, to whom, indeed, the rich stand indebted for all the comforts and conveniences of life." The position taken by Nathaniel Forster is also of interest because it led him to an early statement of the famous formula adopted by Bentham and the Utilitarians as the keynote of their school; 4 Forster also struck at the unequitable system of distribution which, he thought, obtained in his day.5

<sup>1</sup> Baston, Thoughts (1716), p. 181.

<sup>2</sup> Ibid. "'T is true God and man ordains there shall be degrees amongst men for so divine writ tells us the angels are distinguished."

3 Gentleman's Magazine, XXIV, 551.

4 "Is it now, or at any time, necessary to say what is meant by general or public good? That point to which all the different views of the legislator ought to be directed? That plain principle, which alone constitutes the bond of union between all his particular laws and acts of government and forms them into one uniform and noble plan? It is precisely this: the good of the greatest number of those individuals who acknowledge and live under the same common form of government." Nathaniel Forster. Enquiry (1767), p. 73, note. It is interesting to note that the statement to which Bentham acknowledges his indebtedness for the phrase, "the greatest good of the greatest number" was made in the year following this book of Forster's. See Priestly, Essay on Government (1768), p. 17.

<sup>5</sup> "When any one part of a community draws to itself more subsistence than comes justly to its share, it tends to the same extent to impoverish and starve the rest." Forster, op. cit. p. 40. The writer believed that an unequal distribution of wealth enabled the rich to direct the labor of the poor to the making of articles of luxury, thus unjustly injuring the laboring classes by causing necessaries to be scarce and high in price.

The period was not without its proposals to redistribute property upon a more equal basis. Soame Jenyns, who wrote in the same year as Forster, believing the sorrows of his day to be due to "private wealth and public poverty," thought "the most concise method of cure would be to take the superabundant wealth from individuals" in order that the burdens of the poor might be lightened; but he was somewhat doubtful as to the practicability of such a scheme.<sup>1</sup>

In 1734, Vanderlint published a book under the misleading title, "Money Answers All Things," his chief thesis being a more equitable distribution of wealth—especially land.<sup>2</sup>

The most drastic proposal, however, was that made by William Bell in 1756. This writer, whose principal concern was to increase England's population, developed an elaborate argument in favor of an equal division of landed property, proposing to safeguard the equality by forbidding future alienation of land.<sup>3</sup> Bell's book, though it attracted considerable attention at the time, had no perceptible effect upon the thought of his day, unless, indeed, it may be considered the progenitor of the communal proposals put forward by Ogilvie <sup>4</sup> and Spence <sup>5</sup> later in the century. In fact, what has been said of Bell's influence was true of the other writers who treated of the

<sup>&</sup>lt;sup>1</sup> Soame Jenyns, Thoughts on . . . High Prices (1767), p. 32.

<sup>&</sup>lt;sup>2</sup> As an example of Vanderlint's attitude: "If there were full employment for the working people, their wages would as certainly rise to the just value of labor, as we know everything else doth, for which the demand is equal to the quantity; and therefore I deny that there is work enough to employ the people, or that property is reasonably, or sufficiently diffused until the necessaries are rendered so plentiful, and thereby so cheap, that the wages of the laboring man will purchase as many of them as the decent and comfortable support of a middling family requires in that station of life." Money Answers All Things (1734), p. 100, note.

<sup>3</sup> William Bell, Population and Trade (1756); see especially pp. 27 ff.

<sup>4</sup> William Ogilvie, Right of Property in Land (1781).

<sup>&</sup>lt;sup>5</sup> Thomas Spence, Constitution of the Perfect Commonwealth (London, 1793).

distribution of wealth; they were not in harmony with the thought of their time and had no perceptible influence in moulding that thought. The Mercantilist gave no attention to the subject of distribution; his interest in the laborer was a product of his interest in the form of the nation's wealth; and the labor doctrines he evolved were projected as means toward increasing the aggregate of nationally serviceable wealth, irrespective of its distribution within the country. He believed that the laboring population was of great importance to the nation, but this belief did not prevent — rather it encouraged, as we shall see — proposals to reduce to its lowest terms the share of the laborer in the wealth of the nation.

The many expressions of anxiety regarding the growth of England's population which are to be found among the writings of the period, acquire new significance with an understanding of their authors' view of the importance of the laborer. Desire for an abundant population was by no means original with these writers. It has been an opinion common to all peoples and all ages that the glory and power of a nation are in some way proportional to the numbers of her inhabitants. England's early literature is full of statements of this kind and her history affords numerous examples of public policy based upon the idea. The constructive domestic policy of the Tudors exhibits this notion in strong form; depopulation of the country. "decay" of villages and cottages, were at that time matters of live import to England's statesmen. But the motive behind their policy was almost exclusively militaristic, for multitudes of people were required to fill the ranks of the army. No trace can be found of an economic theory underlying this demand for a large population. In the period we are studying, on the other hand, the economic was the dominant motive; in so far as military ends were to be served they lay beyond the immediate economic goal of

<sup>&</sup>lt;sup>1</sup> See Cunningham, Modern Times (1892), p. 237.

national wealth in the winning of which population was to form so potent a factor.<sup>1</sup>

A vague, though tenaciously held, idea that England's population was too small for her territory possessed the minds of these later Mercantilist writers. How such a notion could have survived in the midst of prevailing poverty and pauperism, and retained its hold upon the minds of men continually wrestling with the problem of lightening the burden of poor relief, it is difficult to comprehend. Indeed, as we look back upon the conditions as they existed then, we are inclined to wonder that the Malthusian doctrine was so slow in making its appearance, for certainly few countries present to the modern observer a better example of improvident increase in number among the mass of the people, with the attendant and inexorable operation of the "positive" check.2 And the rapid, even naïve, acceptance of the "principle of population" is evidence that Malthus' doctrine was powerfully supported by illustration drawn from the daily experience of his contemporaries. In Malthus' day, however, the grip of Mercantilism upon the thought of men had been broken; a new doctrine of national wealth was making its way, and the prosperity of the individual — that hypothetical average unit of the population — engaged the thought of writers

¹ It is true that the desire for increased national wealth was not dissociated from ideas of international political rivalry; to accumulate a vast store of treasure within the country appealed chiefly to the patriotic pride of men with zeal for national aggrandizement and glory. The wealth of the nation was not the ultimate end in view but rather an indispensable means toward the supreme goal — the dominance of England among the nations of the earth. This may be called a militaristic ideal but the part which population was to play in attaining this ideal was not directly militaristic as with the Tudors, but was rather a factor in the economic rivalry between nations by which the prize of national wealth was to be won.

<sup>&</sup>lt;sup>2</sup> The possibility and consequences of overpopulation did not pass unnoticed by writers preceding Malthus. See Joseph Townsend, *Dissertation on the Poor Laws* (2d ed., 1787), pp. 37-47, for a good example of "Malthusianism."

upon public policy. Such an atmosphere is congenial to the growth of Malthusianism as that of Mercantilism is repugnant. So long as the earlier doctrine with its peculiar concept of national wealth, and its oversight of the importance of the personal distribution of wealth, obtained, it was almost inevitable that the economic value of a teeming population should have been overemphasized. If it is believed that the wealth of the nation consists in its mass of labor power, to multiply laborers appears to bestow prosperity upon the country.

The views expressed by Charles Davenant upon the subject of population may be taken as typical of Mercantilist thought at the end of the 17th century. Davenant, because of his belief that the labor power of the nation was the cause of a favorable balance of trade, was led to conclude that national welfare depended upon an active policy stimulating an increase of population. Rewards for the married, proportioned to the number of children, and penalties upon the unmarried were suggested as "wholesome laws," <sup>2</sup> and the writer had sufficient faith in the efficacy of his policy to assert that the nation which adopted it could "never fail to be the gainers in the balance." <sup>3</sup> Sir Josiah Child was another writer of the same period who

<sup>2</sup> "In order to have hands to carry on labor and manufactures, which must make us gainers in the balance of trade, we ought not to deter but rather to invite men to marry, which is to be done by privileges and exemptions, for such a number of children, and by denying certain offices and dignities to all unmarried persons." Charles Davenant, Essay, p. 33.

<sup>1 &</sup>quot;The people being the first matter of power and wealth, by whose labor and industry the nation must be the gainers in the balance, their increase or decrease must be carefully observed by the government that designs to thrive; that is, their increase must be promoted by good conduct and wholesome laws, and if they have been decreased by war or by any other accident, the breach is to be made up as soon as possible, for it is a maim to the body politic affecting all its parts." Charles Davenant, Essay (1699), p. 24.

<sup>&</sup>lt;sup>2</sup> "A country that makes provision to increase its inhabitants, whose situation is good, and whose people have a genius adapted to trade, will never fail to be gainers in the balance, provided the labor and industry of their people be well managed and carefully directed." *Ibid.*, p. 36.

stressed the importance of increasing England's population. Among his list of factors making for an increase in national wealth he included the following: "Whatever doth increase the stock of people must be a procuring cause of riches." <sup>1</sup> It is true that Child's primary aim was to prove the desirability of setting a lower maximum to the rate of interest, but he advocated the lowering of interest only as an indirect force operating through his "procuring causes," one of these being an increase in population.

Believing that the nation's wealth was drawn from her foreign trade, the Mercantilist was forced to conclude that success in acquiring national riches depended upon ability to triumph over foreign trade rivals. Nothing could accomplish this result except ability to undersell, which consisted, in the opinion of men holding the prevalent wagescost theory of value, in the possession of low-priced labor. William Petyt, in the widely read *Britannia Languens*, disclosed the process of reasoning by which the Mercantilist convinced himself of the truth of this conclusion:

The odds in populacy must also produce the like odds in manufacture; plenty of people must also cause cheapness of wages; which will cause cheapness of manufacture; in a scarcity of people wages must be dearer, which must cause dearness of manufacture. . . . The populacy I intend and which can only be serviceable to manufacture, are those exuberant numbers which cannot find employment in husbandry, or otherwise but in trade.<sup>2</sup>

Pollexfen took a similar position, though he expressed his opinion without special reference to the subject of wages.<sup>3</sup>

While the controversy was raging at the middle of the eighteenth century over the Naturalization Bill, the economic value of population was a subject much under discussion. At that time Josiah Tucker came out as an

<sup>. 1</sup> Sir Josiah Child, New Discourse (1693), p. 12.

<sup>&</sup>lt;sup>2</sup> William Petyt, Britannia Languens (1680), p. 153.

<sup>&</sup>lt;sup>3</sup> "The more are maintained by laborious trades, the richer the country will be . . . and . . . commodities cheaper." Pollexfen, Of Trade (1700), p. 41.

energetic champion of the liberal policy and in a series of pointed questions sought to prove that no other policy would avail to increase national wealth were the population to remain stationary. He brought the argument to bear upon the Naturalization Bill in these words:

If labor is the true riches, and money only the sign or tally, is not that country wealthiest which has the most labor? And hath not that country the most labor which hath the most people to create mutual employment for each other?

Was a country thinly inhabited ever rich? Was a populous

country ever poor? 2

And in the following decade the economic importance of a large population was restated by another writer:

Numbers of people being the strength of a nation and their skill and industry the foundation of its riches; to promote their *increase*, and procure means for their *employment* must be the chief maxim of government.<sup>3</sup>

One branch of Mercantilist thought may be added in further illustration of this doctrine of labor. As has already been indicated, the exportation of England's raw materials in their crude state contravened one of the most fundamental of Mercantilist tenets. Wool, in particular, commanded the attention of the writers; it had been a "mine of wealth" in the past and still remained the principal substance of England's manufacture. But to export raw wool appeared to be little less than a fatal blunder, as the following computation published by William Wood in 1718 was designed to prove: 4

<sup>2</sup> Josiah Tucker, Important Queries (1751), pp. 19 ff.

<sup>3</sup> Sir W. Mildmay, The Laws and Policy of England (1765), p. 5.

<sup>1 &</sup>quot;What are the riches of a country? Land? Labor? What is the value of land but in proportion to the number of the people? What is money but a common measure, tally or counter, to set forth and denominate the price of labor and the several transfers of it?" Josiah Tucker, Important Queries (1751), p. 19.

<sup>&</sup>lt;sup>4</sup> William Wood, Survey of Trade (1718), p. 252. This is merely a repetition of a very familiar computation. Similar estimates appear in (among others) the writings of: W. S., The Golden Fleece (1656); England's Glory,

We are told by several ingenious authors that the
value of wool shorn in England amounts annually
to
The manufacturing thereof is computed at6,000,000l.
8,000,0001.

From these figures the author proceeds to demonstrate that the nation lost three fourths of the possible value of her wool trade by allowing the raw material to be exported. indicating that the loss lav in the neglect to exploit the potentialities of her artisan population. For reasons such as these, the attempt had been made to prohibit the exportation of unwrought wool, but it had led to such an outerv from the landowners and had occasioned so real an economic depression that the general unpopularity of the Act had occasioned official connivance at its violation. This situation did not induce Mercantilist writers to reject their basic proposition, however, for they concluded that the failure of the government's policy was attributable to one. or both, of two conditions, each in harmony with their postulates; either a scarcity of labor so great that the total wool supply could not be worked up; or, a prevailing indolence in the character of the people which caused them to shirk the necessary labor. The latter of these opinions. attaining general currency during the eighteenth century. had a marked influence in shaping the social attitude toward the laboring classes; we shall consider it in a later chapter.2 The former bears upon our present subject the advantages of a large population. Thus William Wood, going forward with his deductions regarding the advantages of prohibiting the export of raw wool was convinced "that Great Britain would naturally bear and nourish a full thirdpart more of inhabitants," 3 and urged toward that end "a

anon. (1669); Fortrey, England's Interest (1673); Thomas Manley, Discourse (1677); J. F., The Golden Fleece (1679); The Interest of England, anon. (1694).

<sup>&</sup>lt;sup>1</sup> 12 Car. II, cap. 22. <sup>2</sup> See chapter vii.

<sup>3</sup> William Wood, Survey of Trade (1718), p. 313.

general toleration and naturalization" which, he said, would have the doubly desirable effect of diminishing the emigration of native non-conformists and encouraging the immigration of alien protestants. Other writers, likewise convinced of the economic benefit which would flow from an increased population, urged the same or similar devices. <sup>2</sup>

It is interesting to note how the assertion that population would increase were the proposals of these writers put into operation, is considered sufficient answer to the landowner who complained that the prohibition of the exportation of wool had decreased the value of his property. The advocates of prohibition were at particular pains to prove that the landed interest were injuring themselves as well as the country by their opposition to an act designed to increase employment for the people and redound to the national gain. This additional employment, together with the projects for actively stimulating the growth of population would, it was urged, multiply the consumers of the product of the soil and so bring benefit to the farmers and landlords. To quote again from William Wood:

If...one with another, over and above 10s. per head for lodgings, pay 6l. per annum for our product and manufactures, it will follow that of the 6l. per annum, above one-fourth is paid to rents...and consequently the lodging and consumption of our own people pays more than 40s. per annum to our rents, at a medium, or every individual is to be esteemed as a tenant of that value to the landed interest.<sup>3</sup>

Wood was standing upon very familiar ground when thus attempting to convince the landowner that his economic interest could best be served by increasing England's population through multiplying employment. Sir William Petty,

<sup>1</sup> William Wood, Survey of Trade, pp. 299-316.

3 William Wood, Survey of Trade (1718), pp. 308-09.

<sup>&</sup>lt;sup>2</sup> See especially Sir William Petty, *Political Arithmetic* (ed. 1755), pp. 116-19; Charles Davenant, *Essay* (1699), p. 28; Sir Josiah Child, *New Discourse* (1693), p. 154; Sir William Temple, *United Provinces* (1673), p. 340; Josiah Tucker, *Naturalization* (1751), passim.

making use of his peculiar method of reasoning, had earlier computed the benefit in increased land values which would result from an increase in population. The observation of men had already remarked the unearned increment reaped by landowners from a thickening of the population, and the champions of the trading interest in England seized upon this familiar fact to quiet the opposition of the country party whose immediate interests were prejudiced by Mercantilist expedients. Sir Josiah Child made this point when he said, "Lands, though in their nature excellently good, without hands proportionable will not enrich any nation." 2 submitting as evidence the experience of Palestine and "Andulasia." Similarly Defoe asserted: "It is a certain and unquestioned benefit to a nation to increase the number of people that they may consume the product of the land." 3 And Tucker made a strong plea to the land owners for sympathy for the Bill for the Naturalization of Foreign Protestants.4 These attempts to reconcile two opposing political factions by arguing an identity of their economic interest merely disclose the ramifications of the labor doctrine of the Mercantilists. The prevailing view of the national value of the laborer implied the utility of exploiting and increasing the labor supply of the country; one of the agencies upon which the writers had depended to bring about this desired end was apparently prejudicial to the landowners and it became the task of its advocates to prove that if the end in view could be attained it would repair the injury wrought by the means employed. But the interest of the writers in the land problem was subsidiary

<sup>2</sup> Sir Josiah Child, New Discourse (1693), p. 167.

3 Daniel Defoe, Complete English Tradesman (1840), 11, 95.

<sup>&</sup>lt;sup>1</sup> Sir William Petty, Political Arithmetic (4th ed. 1755), p. 152.

<sup>&</sup>lt;sup>4</sup> Introduced ineffectually in 1748. Josiah Tucker, Reflections on the . . . Law for the Naturalization (1751), second part, pp. 21-26. Section IX of his Important Queries, entitled "The Increase of People the Increase of Rent to the Landlord"; Section X, "The Improvement of Lands Depends upon the Increase of People"; Section XI, "The Landed and the Commercial Interest of the Kingdom center in the same Point."

to their main theme — the national value of the laborer; the rise in land values was considered an incidental effect of an increasing population, to produce which increase their efforts were directed by the logic of their fundamental tenets regarding national wealth.

The writers who deal with the problem of pauperism give us, perhaps, the clearest evidence of the Mercantilist's solicitude over the size of England's population. However incongruous it may appear that men whose concern was the increasing burden of the poor should at the same time have exhibited an anxiety lest the inhabitants decrease in number, it is a fact that the major portion of the writings which dealt with the problem of poverty included projects for increasing England's population, or, which is the same in essence, for retarding supposed depopulation. Passing in review the mass of literature upon the subject of the poor and poor laws one is left with the impression that the advocate of a solution of the problem of poverty always considered it a part of his task to defend his project from the charge that it would cause a decrease in the population of the country. The workhouse was attacked upon this ground and was defended from the charge by those who believed that therein lay the solution of the problem of pauperism. For example, Hale said in 1683 regarding the effects of the workhouse:

The poor will be proportionably increased so that we may reasonably suppose that in seven years, by the blessing of God, the very proceeds that will be able and fit to work of poor families will be more than double to what they are now, which continually increase in a kind of geometrical progression whereby there will be enough for double the employment which is now for them.<sup>1</sup>

And other writers took a similar position:

The riches of a city as of a nation, consist in the number of inhabitants, and if so you must allow inmates or have a city

<sup>&</sup>lt;sup>1</sup> Sir Matthew Hale, Discourse (1683), pp. 41-42.

of cottages. And if a right course be taken for the sustenance of the poor, and setting them on work, you need invent no stratagems to keep them out but rather to bring them in. For these sort of people to a city or nation well-managed is in effect, the conflux of riches to that city or nation; and therefore the subtle Dutch receive and relieve, or employ all that come to them nor inquire what nation, much less what parish they are of.<sup>1</sup>

The establishments I have proposed would prove an encouragement to matrimony and the population of the country would con-

sequently be increased.2

The charge of depopulation was repeatedly made against the existing poor law.<sup>3</sup> It was truthfully asserted that the policy of making the parish the unit for poor-relief tempted the officers to reduce the number of cottages and restrain marriage among the poor, which, since it caused depopulation, was considered *ipso facto* an evil of the system.<sup>4</sup> The Settlement Acts were attacked upon the same ground.<sup>5</sup>

The economist of to-day finds in these contentions that the nation's wealth could be increased by multiplying the number of her pauper inhabitants, ideas most strikingly inconsistent with orthodox theory, but they were the logical fruit of a body of thought which, overlooking the labor cost of production, tended to prove that the mere expenditure of effort upon commodities for exportation would increase the favorable balance of trade and so the riches of the country. The pauper workman who, as we believe to-day, is producing less than he consumes, could be considered by the Mercantilist with perfect consistency a contributor to the national wealth so long as his labor was bestowed in such a way as to swell the outward, or reduce the inward, trade of the country. It is true that the independent laborer appeared to contribute more, for his superior wages were considered as representative of a

<sup>2</sup> J. Sherer, Remarks (1796), p. 38.

<sup>3</sup> See for instance, Roger North, Discourse (1753), pp. 47 ff.

<sup>5</sup> See Arthur Young, Farmer's Letters (1767), p. 173.

<sup>&</sup>lt;sup>1</sup> Sir Josiah Child, New Discourse (1693), p. 64.

<sup>&</sup>lt;sup>4</sup> For instance, Joseph Massie, Plan for Charity Houses (1758), p. 66 f.

larger increase in the value of the materials passing through his hands; but the difference between the pauper and the independent man was one of degree entirely; both worked for the nation where they lived as well as for themselves. When considered in conjunction with the prevalent belief in the national importance of the laborer, this concern regarding the size of England's population appears reasonable enough.

## CHAPTER III

## THE DOCTRINE OF EMPLOYMENT

The central position conceded the laborer by the Mercantilist in working out his theory of national wealth became the stepping-stone to the formulation of an active public policy designed to make use of the truth thus established. Mercantilism, as a body of doctrine, was never static in its assumptions, differing in this respect from the fundamental postulates of present-day economic reasoning. The thinking of the Mercantilist was not complete until it had evolved a body of precepts and these had in their turn been made the foundation of some carefully devised project for whose inauguration the authority and support of the government was sought. So the doctrine of the national importance of the laborer set men to thinking upon ways and means to turn this truth to account in the enriching of the nation.

It is essential to nationalism, as modern nations have learned from the harsh experience of war, that the economic energy of a country be subjected to the control of a central intelligence "in whose prudence and disposition it is to improve, manage, and fashion it to more or less advantage." The diffused control which a laissez-faire policy places in the hands of those who possess the purchasing power can be relied upon to devote the labor energy of the nation to the production of goods and services having at the moment the highest utility to individual consumers. But there is, and can be, no assurance that individual values will coincide with national values, and that the economic goods produced at the command of those who are willing and able to buy them will take a form applicable to national aims and purposes. This truth,

whose re-discovery was an incident of the strenuous times through which the world has recently passed, was a commonplace of Mercantilist reasoning accepted without argument by the social writers of the eighteenth century.

It was clear to these writers that the supply of labor represented potential wealth only, for even the most ardent advocate of a large population did not believe that multitudes of unemployed people could increase the wealth of any country. Thus Samuel Fortrey, who in his book, England's Interest, had stressed the benefits of a numerous population, felt obliged to answer the objection, "It doth not appear that people are wanting, but rather that we have already too many, if we consider the numbers of our poor people." 1

Of great influence were the words of Charles Davenant, whose arguments for increasing the population of England have already been quoted. "The bodies of men," he said, "are without doubt the most valuable treasure of the country," but valuable only "if they are well employed in honest labor and useful arts." Unless well employed, large numbers of people would be a detriment to the nation; they would make the "body politic big, but unwieldy, strong but unactive," hence the desire of the landed interest for a large population irrespective of the amount of employment was a "wrong opinion." Lawrence Braddon prefaced his employment scheme with the emphatic as-

<sup>1 &</sup>quot;It is true considering our present condition how trade is decayed, and the little encouragement our people have to industry, we have already more people than are well employed, but I conceive it so much the greater damage to the prince to have his people both few and poor; but if . . . profitable employments . . . were rightly improved and encouraged, there is no doubt but the people and riches of the kingdom must be greatly increased." Samuel Fortrey, England's Interest (1673), p. 9.

<sup>&</sup>lt;sup>2</sup> Charles Davenant, Essay . . . upon the Balance of Trade (1699), p. 24.
<sup>3</sup> "Their's is a wrong opinion, who think that all mouths profit the kingdom who consume its product; and it may more truthfully be affirmed that he who does not in some way serve the commonwealth, either by being employed or by employing others, is not only a useless but a harmful member to it." Ibid., p. 51.

sertion, "No nation can ever be rich or powerful without being populous," but immediately proceeded to the statement that population would become a "burden and a curse" to the nation unless measures were taken to provide employment. And a quarter-century later, Fielding wrote in much the same strain.

In Mercantilistic thought, as in all systems of nationalism, a nationally valuable was distinguished from a nationally useless population by the test of employment, and this test comprised not only considerations of the amount but also of the kind of occupation. William Petyt disclosed the point of view of his school when he spoke of labor as a "capital material . . . raw and undigested . . . committed into the hands of supreme authority, in whose prudence and disposition it is to improve, manage, and fashion it to more or less advantage." 3 It is characteristic of these writers that they should be so readily disposed to trust in the wisdom of the civil power to "improve, manage and fashion" the economic raw material of the nation. Bred of this confidence in statecraft, proposals were multiplied for exploiting the labor of the people as the chief source of national wealth, urging upon the rulers of the nation divers schemes for directing and creating employment to the end that a redundant population might become an inexhaustible fountain of riches.

Now there is danger in an attempt to weld these numerous proposals into a consistent body of doctrine or to trace

<sup>&</sup>lt;sup>1</sup> Lawrence Braddon, To Pay Old Debts (1723), p. iv.

<sup>&</sup>lt;sup>2</sup> "That the strength and riches of a society consist in the number of people is an assertion which hath obtained the force of an axiom in politics. This, however, supposes the society to be so constituted that those numbers may contribute to the good of the whole; for, could the contrary be imagined, could we figure to ourselves, a state in which the great part of the people instead of contributing to the good of the public, should be as a useless and heavy burden on the rest of their countrimen, the very reverse of the above maxim would be true." Henry Fielding, Enquiry (1751), p. 1.

<sup>3</sup> William Petyt, Britannia Languens (1680), p. 238.

the flood of plans and schemes to a common source in economic theory, for the problem was complicated by considerations of a purely practical nature. The writers of the eighteenth century were "confronted by a condition, not a theory"; and, as opportunism is always destructive of theoretical consistency, the social reformers of the time should not be held too rigidly even to that system of theory to which they nominally own allegiance. The one all-important domestic problem of this age was the problem of pauperism, the most obvious of whose causes was the idleness of the people; when grappling with this problem of pauperism, the investigator seized quickly upon the obvious cause and at once his thought turned toward expedients for removing it. With the fact of unemployment thrust to the front by the growing burden of poor relief and exhibited to the attention of social reformers, their natural reaction was to evolve methods of creating employment.

And yet the employment schemes of the Mercantilist are related to the main body of his labor doctrine and to his theory of national wealth which was fundamental to them both. It is, or should be, impossible for the present-day economist to conclude that the remedy for poverty is to meddle in the processes of production with schemes whose effect must be to diminish the social income; but the Mercantilist's concept of national wealth blinded him to this obvious criticism of the "make-work" project. One result of that concept was his indifference as to the labor cost at which commodities for home consumption were produced from domestic raw materials. If the English consumer should be forced to pay a little more for his cloth because the government in an attempt to create employment forbade its importation, it was a matter of no moment to the Mercantilist since "the enhanced price would be paid to the produce of our own lands, to the labor of our own people . . . and would center among ourselves." 1 The

<sup>&</sup>lt;sup>1</sup> William Wood, Survey of Trade (1718), p. 151.

aggregate wealth, it was believed, would not be diminished but only redistributed. It must be remembered in this connection that the Mercantilist placed emphasis not upon the quantity of goods consumed within the country but upon the value of goods prepared for export; thus the identity of individual and national interest was not established, but, rather, it was believed that unless individual enterprise were controlled it might prejudice the economic well-being of the nation by withdrawing labor power from nationally significant lines of occupation. It was natural, then, for the Mercantilist to conclude, as do statesmen of to-day when nationalism dominates over their thought. that the idle laborer should be placed under governmental direction and that when competition for the use of the nation's labor power arises between the individual and the state, higher expediency demands that the former give wav.

The logical connection between the make-work projects of the Mercantilists and the main body of their labor doctrine can be traced through the writings of that group who combined with their adherence to the balance of trade doctrine a belief that the value in the foreign market of goods exported from England would be determined by the "wages-cost" of producing them. 1 It was the primary concern of the balance of trade writers that the value of the exports should reach the highest possible point before they left the shores of England, and this, of course, meant that all exports should be in the form of finished products. Believing this, and believing further that the increase in value from the raw material to the finished article would be a measure of the wages earned by the laborer, one group of writers concluded that the wages of the workman could be taken as the equivalent of his contribution to the nation's wealth. Petyt, it will be remembered, undertook to demonstrate in what way the manufacturing

<sup>1</sup> The "wages-cost" theory is discussed at greater length in chapter vii.

laborer would "work for the nation where he lived as well as for himself" by making use of a hypothetical example: "If 100,000 manufacturers get 6l. per annum apiece, the nation must gain or save 600,000l. per annum." According to such reasoning it would appear that the idle workman not only sustained a loss himself from the cessation of his income but also deprived the nation of an increment of wealth equal to the wages he might have received if industriously employed. The way in which both public and private ends would be served by creating employment was set forth by Joshua Gee:

Suppose that one million of people were put upon manufacturing those rough materials and each person earned but a penny a day and allowing but three hundred working days in a year, it would mean one million two hundred and fifty thousand pounds. Now as I have already said the importation of foreign linen, Flanders lace, and naval stores amount to more than all our woollen exported, it is astonishing so wise a nation as this does not take care to... have the greatest part of those linens made in this kingdom....<sup>2</sup>

There were numerous rather fanciful attempts to compute the economic injury sustained by the nation from the idleness of its laboring population; one of these came from Pollexfen and was aimed at the voluntary idleness of the laborer upon holidays:

The seventh day was appointed for God's service and for man to rest from his labors; whether the many holidays now kept may not be a great load upon the nation may be considered; for if but 2 million of working people at 6d. a day comes to 500,000l. which upon due inquiry whence our riches must arise, will appear to be so much lost to the nation by every holiday that is kept.<sup>3</sup>

Sir Walter Harris addressed himself to the same evil of holiday-keeping and arrived at a conclusion very like that of Pollexfen:

<sup>&</sup>lt;sup>1</sup> William Petyt, Britannia Languens (1680), p. 23.

<sup>Joshua Gee, Trade and Navigation (4th ed. 1738), p. 134.
Sir Henry Pollexfen, Discourse of Trade (1700), p. 45.</sup> 

Supposing the working people of England to be but four millions and that the labor of each person be valued at but 6d. per day, their work for one day amounts to one hundred thousand pounds: which for twenty-four days that they keep in a year more than the twenty-nine days observed by the Church of England amounts to two millions and four hundred thousand pounds sterling per annum which of itself is sufficient to...enrich the nation.

These statements are alike in that they assume a direct national gain from employment equal to the wages paid the laborer; another of the same meaning is found in Lawrence Braddon's Abstract of a Bill. Braddon is here indulging in the congenial exercise of pointing criticism at France:

The superstition of their religion obligeth France to keep (at least) fifty Holy days more than we are obliged to keep; and every such day wherein no work is done is one hundred and twenty thousand pounds loss to that deluded people.<sup>2</sup>

<sup>1</sup> Sir Walter Harris, Remarks (1691), p. 44.

<sup>2</sup> Lawrence Braddon, Abstract (1717), p. viii.

Another class of idle workmen was the pauper group. Very plausible arguments were advanced to prove the utility of creating employment for all recipients of public charity. Thus Erasmus Phillips wrote: "The labor of these people, one with another, at six pence per diem would be worth to the nation about one million three hundred and fifty thousand pounds per annum; and how such a quantity of labor would operate on the wool manufacture (spinning and carding being the chief employment of these poor people), I leave to everybody's imagination." State of England (1725), p. 8. Phillips was advocating the erection of workhouses upon the principle of firms of manufacture, assuming that the creation of employments would add to the nation's wealth an amount equal to the wages paid.

Richard Gouldsmith made a very similar proposal in 1725: "Mr. King very judicially computes his cottagers and paupers who decrease the wealth of the nation at 400,000 families; in which account he includes the poor houses in cities, towns and villages; besides which he reckons 30,000 vagrants, and all these together do make up 1,300,000 heads. To make as many as possible of these persons, whereof not above 300,000 are children too young to work, who now live chiefly upon others, get themselves a large share of their maintenance would be the opening of a new vein of treasure of some millions sterling per annum." Some Considerations, pp. 9–10. The proposition that the nation would gain by making its pauper inhabitants self-supporting is certainly above exception; but to assume

Along with the general agreement as to the national utility of making work for the laboring population, went an agreement as to the directions in which labor could be most profitably turned. It seemed that two useful lines of employment were open; the one, working up the domestic produce which was at the moment being exported in the raw state: the other, producing those commodities which England imported. Engaged in either of these lines, the labor of the unemployed would apparently produce a net addition to the nation's wealth, since in neither would the new workman compete with, or tend to displace, the artisan already at work. In both he would "work for the nation where he lived as well as for himself" for in the former his labor would swell the value of the exportable product, while in the latter, it would reduce the quantity of necessarv imports; therefore, in either it would tend to produce or increase the much desired favorable balance of trade.

We may illustrate this opinion from the discussion which centered about the wool supply of England. In 1660, the unknown author of *England's Glory*, advocated the home manufacture of the entire supply as a means of employing the people and enriching the nation. Thomas Manly, who wrote a decade later, urged that a failure to put this proposal into execution was one large cause of the prevailing pauperism, though he believed that the manufacture of wool in England would do more than remedy this social

that this gain could be derived from the creation of artificial employments, and that the gain would be equal to the amounts of wages paid in such employments is but another phase of the Mercantilist's error of neglecting the labor cost of production.

<sup>1</sup> England's Glory (1669), pp. 14-15.

<sup>2 &</sup>quot;Seeing that we have a multitude of people who for want of employment want bread, and that the price of wool here is so low as to tempt us to let out that commodity... what do we do else by such as design but declare that henceforth, being unable to manage that manufacture, we abandon all thought of an advantageous commerce, necessitate our people to live on us or die at our doors, and surrender to our neighbors the manufacture for which we were once so notorious? Is not this at once to cast the children's bread to strangers?" Thomas Manly, A Discourse (1677), p. 2.

problem: there would be an additional gain derived from the labor of the people. 1 Approaching the subject from the same point of view, John Haynes attempted a detailed computation of the amount of wages lost by the English laborer when wool was exported, stating that the failure of the laborer to receive these wages was just "so much net loss to the whole kingdom." 2 These wage costs he reckoned at 264l. 10s. per pack, which amount, he asserted. was "lost in workmanship by the exportation of every pack of rough wool." 3 Had the writer proceeded to state that this loss of wages was the cause of a diminished favorable balance of trade, he would have brought his calculation into harmony with the reasoning of his day. On returning to the subject a decade later, he takes a step in this direction and gives us a clear statement of the distinctively national interest in the problem of unemployment. The loss to the state is sharply distinguished from that sustained by the working-classes — the "poor" who have no market for their labor - and, as the writer shows, is traced to the resulting unfavorable balance.4

1 "A pound of wool manufactured and exported is worth more to us by employing our people than ten pounds exported raw at double the present rate; unless, indeed, which it is not reasonable to imagine, we could introduce some other better employment for them." *Ibid.*, p. 3.

<sup>2</sup> "To form an estimate of the loss accruing to the poor from the exportation of wool, 't will be of use to compute the charge of combing, spinning, knitting, dyeing and pressing two pounds or less of our finest wool, with some other incident charges; for these charges going out of the pocket of the undertaker, come into the pocket of the poor which he employs. And the exportation of wool without this manufacture is so much net loss to the whole kingdom." John Haynes, State of the Clothing Trade (1706), pp. 6, 7.

<sup>3</sup> Ibid., p. 8.

4 "As it is . . . thus destructive to our poor to have wool exported unmanufactured, so I will now endeavor to demonstrate that as the said manufacture doth influence the particular branches of our foreign commerce and keep up the balance of these trades, so if exportation still continues it will expose us to an inequality trade and reduce us so much as not to have a native produce to exchange for their goods, but be obliged to pay ready money." John Haynes, Great Britain's Glory (1715), pp. 9 f. The theme is developed in the pages which follow.

Blinded to the inutility of make-work projects by their peculiar concept of national wealth, the thinkers of the day required but to know that the labor of the people was being expended upon commodities for export to conclude that the nation was drawing a stream of wealth from its population. Thus Lawrence Braddon, who believed that "the poorer sort are... the wealth and strength of the nation" wrote:

Great care ought to be taken in the employing of their poor not to deprive other industrious poor of any sort of their work or wages; . . . our poor ought chiefly to be employed in such a manner as may most probably promote our exports, from whence only can we increase our gold and silver. . . . 1

Cary was able to make a sort of calculation of the importance to the nation of various sorts of raw material, grading them according as they gave more or less employment to the laborer; <sup>2</sup> it will be recalled that this writer thought the total increment in the value of materials passing through the hands of the native artisan was, when exported, a gain in the wealth of the nation.<sup>3</sup> Similarly different forms of trading and the trade of different countries were held in more or less esteem as they gave greater or less employment to the people.<sup>4</sup>

<sup>1</sup> Lawrence Braddon, An Abstract (1717), p. xl. For a very similar chain of reasoning, see Thomas Baston, Thoughts on Trade (1716), p. 31.

<sup>2</sup> John Cary, An Essay (2d ed. 1719), pp. 13 ff. See also John Massie, Plan for Charity Houses (1758), p. 115; and the anonymous Letter Occasioned by the Poverty of the Nation (1700), p. 6.

<sup>3</sup> John Cary, An Essay, p. 21.

<sup>4</sup> Thus Thomas Mun: "Our fishing plantations... in New England, Virginia, Greenland, the Summer Islands and New Foundland, are of like nature, affording much wealth and employment to maintain a great number of the poor." English Treasure (1664), p. 23.

Charles Davenant, Essay (1699), p. 95: "To recover the fishing trade and to bring us the height and perfection our coast and situation are capable of, would increase the numbers of the people (for men always multiply where they have conveniences for living); it would find employment for the poor."

Nicholas Barbon, Discourse (1690), p. 39: "The way of determining those controversies about which sort of goods are most beneficial to the

The trade policy of England felt the force of these ideas. The chartered trading companies of the day were subjected to close scrutiny to determine their influence in affording a market for the home manufacture, and were often made to feel the pressure of popular prejudice exerted through Parliament against the continuance of practices which appeared to reduce the demand for labor in England. In this connection we may contrast the suspicion which was almost constantly directed against the East India Company with the less critical attitude toward other companies, notably the African. The East India Company besides laboring under restrictive rules was again and again mulcted by the Government of large sums of money. On obtaining a renewal of its charter in 1693, it was compelled to assume the obligation of exporting 150,000 pounds worth of English wares annually and in 1769, this amount was increased to 380,000 pounds. The New India Company, formed in 1698, was required to lend 2,000,000 pounds to the Government at 8 per cent interest, as a condition to its obtaining a charter: in 1730, the interest rate was scaled down to 4 per cent, and in addition a fine of 200,000 pounds was levied in consideration of the extension of its charter from 1733 to 1766. And again in 1744, the Government seized upon the desire of the company for a re-extension of its charter. to force from it a loan of 1,000,000 pounds at the nominal rate of 3 per cent. During this same period the African

government by their making or being imported; the sole difference is from the number of hands employed in making them."

John Haynes, Great Britain's Glory (1715), p. 16: "With cotton wool brought from Turkey and our plantations... some thousands of poor were and still are employed."

Sir Walter Harris, Remarks (1691), p. 21: "That trade which supplies us with materials for our manufactures (and thereby with employment for our people) . . . is necessary to our well-being"; and p. 27, where he concludes that for this reason "Ireland is beneficial to England."

These are illustrations of the method by which trades were weighed for their national importance upon the basis of the amount of employment which they furnished. Company was receiving heavy subsidies from Parliament; between 1730 and 1750, the amount of this subsidy varied from 10,000 pounds to 20,000 pounds per annum. Now this difference in treatment may, in part, be explained by the fact that the two companies offered unequal opportunities for exploitation by the Treasury since the East India Company was prosperous and was reputed to be more opulent than it really was, while the African Company was proving a losing venture; but it was the character of the trade of each which excused the governmental policy toward it. 1 Not only did the East India Company carry out silver and the African bring in gold, the one, thereby, violating, the other satisfying, a deeply-rooted prejudice of the time; but the former by its return voyage brought into England either articles which threatened to destroy the employment of the people, namely, muslins, painted calicoes and other cloths, 2 or, at least, such as would furnish no raw material for domestic industry, for instance, spices and articles of luxury. The African Company, on the other hand, imported nothing which competed with the native laborer, whereas it carried out quantities of domestic cloth, thereby apparently increasing employment.

The Assiento Treaty <sup>3</sup> and, indeed, the slave trade in general, appeared a national benefit for the same reason, for upon its continuance depended the colonial demand for English manufactures.<sup>4</sup> Similarly, the Turkey Company appeared at all times above suspicion for the reason that it carried out quantities of English cloth and brought in raw material for an industry which employed numerous

<sup>1</sup> Thus Cunningham, Modern Times (1892), pp. 267, 280.

<sup>3</sup> A bargain with Spain in 1713 which gave England the exclusive right of furnishing slaves to the Spanish colonies.

<sup>&</sup>lt;sup>2</sup> By 11 & 12 Wm. III, cap. 10, the company was compelled to store these imports under bond to re-export them.

<sup>&</sup>lt;sup>4</sup> An argument in support of the slave trade and an exposition of its value to England appeared under the title, *The Importance of the African Expedition*, in 1758. This book has been attributed to Malachy Postlethwaite.

hands, hence its importation of raw silk from Persia was encouraged,2 while reductions were made in the duties on its importations from other countries.3 From a like motive of creating employment in an export trade, it seemed desirable to prohibit, altogether, the importation of foreignmade silk cloth.4

<sup>1</sup> See preamble to 6 Geo. I, cap. 14. <sup>2</sup> By 23 Geo. II, cap. 34.

<sup>3</sup> By 23 Geo. II, cap. 9; and 5 Geo. III, cap. 29.

4 By 5 Geo III, cap. 48. The influence of the employment doctrine upon public policy is disclosed by a review of the statutes passed while these theories were dominant. It is, of course, unsafe to confide in the sincerity of the preambles to these Acts, for they were frequently used to give patriotic color to essentially selfish and interested designs of the framers. Yet the fact that appeals to the economic doctrines of the time were considered efficacious in winning popular support for self-interested policies may certainly be accepted as evidence that the doctrines themselves were firmly rooted in the common mind. The Preamble of 12 Car. II, cap. 32, an Act prohibiting the exportation of wool, fuller's earth, etc. expressly defines the purpose of the act to be, "for the better setting on work of the poor people, and inhabitants of the kingdom . . . and for the full and best use and benefit of the principal native commodities of the said kingdom . . . may come to redound and be unto and amongst the subjects and inhabitants of the same and not unto or amongst the subjects or inhabitants of other countries."

By 12 Car. II, cap. 22, because "by reason of said trade many thousands of poor people both within the said town of Colchester and places thereabout are daily employed and set to work . . . "the Bay trade was regulated. By 14 Car. II, cap. 13, "Whereas great numbers of the inhabitants of this kingdom are employed in the making of bonelace . . . who by their industry and labor . . . have heretofore been able . . . to maintain their families and enabled to set on work . . . other persons who have very small means . . . of living other than by their labors . . . in the

said art," importation of foreign bonelace was prohibited.

The Act of 14 Car. II, cap. 15, stating, "Whereas as the said trade is of singular use and very advantageous to this commonwealth by employing the poor, there being employed above forty thousand men, women, and children . . . " put the trade of silk-throwing under regulation.

By 14 Car. II, cap. 19, because "the best iron thread or wire for making wool-cards is made by the said manufacture . . . very many poor people of this kingdom and their families have been employed and maintained,"

the importation of wool-cards was prohibited.

The Act of 14 Car. II, cap. 5, asserting, "Whereas divers abuses and deceits have of late years been had . . . which tends to debasing the said manufacture . . . and turning out of work many thousands of poor people . . . " regulated the cloth trade of Norfolk and Norwich.

By 14 Car. II, cap. 12, which states "for due provision . . . of relief

To the social observers of the time, the trade connections which England was forming with different countries appeared capable of evaluation, not alone by the criterion of the balance of trade, though the favorable balance was considered prima facie evidence of a beneficial commerce, but also upon the basis of the extent to which the trade in question could be depended upon to furnish employment to the native laborer. The contrast in the reactions toward

and employment," Settlement for the poor was provided. 15 Car. II, cap. 15, which asserts, "Whereas the moneys and quickstocks of this kingdom being...greatly exhausted and diminished and the poor thereof unemployed..." encouraged the manufacture of linen cloth.

The Act of 19 & 20 Car. II, cap. 11, for further regulation of the trade of silk-throwing speaks of the restrictive measures employed by the master workmen, "which is a hindrance to the growth and improvement of the said art and a restraint of silks in this kingdom . . . and to the subsistence and livelihood of many thousand poor families. . . ."

2 Wm. & Mary, cap. 9, discouraging the importation of thrown silk, says of this importation that it "is greatly prejudicial to the exportation of the woollen manufacture thereof and tends very much to the impoverishment of great numbers of arillers whose livelihood and subsistence

depends upon the throwing of silk. . . ."

4 Wm. & Mary, cap. 10, prohibited the importation of all hair buttons for the reason that the "button trade of England is very much decayed and many thousands of poor people that were formerly kept at work in the said trade are like to perish for want of employment."

8 & 9 Wm. & Mary, cap. 36, encouraging the manufacture of lustrings, states "Whereas it has always been found of great advantage to encourage the setting up and making of new manufactures within this realm, whereby the exportation of money . . . is prevented, the wealth of the

kingdom increased and the poor are employed."

9 Wm. III, cap. 9, in further prohibition of the importation of bonelace, states: "great quantities of the said prohibited goods have been and are daily sold to the impoverishment of a great number of families in England whose livelihood depends on the making of cloth buttons, . . . the maintenance and subsistence of many thousand men, women and children within this kingdom depends upon the making of silk . . . buttons. . . ."

11 Wm. III, cap. 10, preventing the wearing of wrought silks, etc., in England, states: "the continuance of the trade to the East Indies... must be to the great detriment of this kingdom by exhausting the treasure... and taking away the labor of the people, whereby very many... are become... chargeable."

These Acts, all passed in the last quarter of the seventeenth century,

are illustrative of the prevailing ideas of employment.

the Methuen Treaty with Portugal and the "free trade" treaty with France after the Peace of Utrecht illustrates how trade opportunities were weighed to determine their contribution to the employment of the English workman in nationally significant lines of occupation. The former of these treaties 1 was hailed with satisfaction because it opened up a new market for English cloth, destroyed a competitor in that trade,2 and promised direct returns in silver bullion. The treaty with France 4 held forth no such prospect, either of market for domestic manufactures or of returns in precious metal; in regard to this treaty the contention turned upon the advisability of allowing French wines to supplant those of Portugal with English consumers, and this policy appeared to contravene the basic principles of contemporary economic thought. If it was necessary for Englishmen to import a purely "consumptive" article such as wine (and no one in that day would deny the necessity inasmuch as wine was not produced in England) then let the imported goods be purchased with manufactures and thus, at least indirectly, furnish a proper employment for the people. For this reason, the Portuguese trade was to be preferred to the French.<sup>5</sup>

The colonial trade was likewise valued to the extent that it gave the right kind of employment to the English laborer.

<sup>&</sup>lt;sup>1</sup> Concluded December 27, 1703.

<sup>&</sup>lt;sup>2</sup> The cloth industry was springing up in Portugal at the time under the protection of a governmental policy which for twenty years had prohibited the importation of cloth.

<sup>&</sup>lt;sup>3</sup> These gains in precious metal were estimated, though, perhaps, much too highly, at fifty thousand pounds weekly. See *Wealth of Nations*, bk. IV, ch. VI, 228 (Collier ed., 1901).

<sup>4</sup> Proposed in 1713.

<sup>&</sup>lt;sup>5</sup> See articles written for the *British Merchant* by Joshua Gee and others in 1713 to combat the propaganda favoring the treaty with France conducted through the *Mercator* (1713), by Defoe. Strong as were the arguments of Defoe, his opponents won a decisive victory over him by appealing to the ruling doctrines of Mercantilism and were able to contribute to the further establishment of these doctrines in the following years. See Cunningham, *Modern Times* (1892), p. 266.

Colonization appeared in itself a bad thing since it reduced the number of working hands and robbed the country of their contribution to the wealth of the state; but colonization could be, and was, defended upon the ground that the new communities would create a demand for the products of the mother country and hence create employment to a degree equivalent to, or greater than, the diminution occasioned by emigration. The colony across the sea would be of service to the nation in either of the two ways by which any foreign market would result in national enrichment, that is, by providing the raw material for manufacture or by creating an effective demand for finished products. And here appeared a convincing argument for restricting the trade of the colonies as was done by the Navigation Acts, for they had been created by a surrender of a portion of the laboring population, and hence by a curtailment of the source of national wealth. It appeared only reasonable to demand, therefore, that they should repay their original cost by providing employment for an equivalent number of people at home, and this repayment, it was believed, could not be effected otherwise than through a strict control of their commerce. These propositions were stated by Sir Josiah Child:

All colonies and foreign plantations do endamage their mother kingdoms whereof the trades of such plantations are not confined to their said mother kingdoms by good laws and severe execution of those laws.

Plantations being at first furnished and afterwards successively supplied with people from their mother kingdoms, and people being riches, that loss of people to the mother kingdom be it more or less, is certainly a damage, except the employment of those people abroad, do cause the employment of so many more at home in their mother kingdoms, and that can never be except their trade be restrained to their mother kingdoms.

When estimating the worth to the nation of its different colonies, Child concluded that New England was "the

<sup>&</sup>lt;sup>1</sup> Sir Josiah Child, New Discourse (1693), pp. 183-84.

most prejudicial plantation to this kingdom" because this colony failed to furnish employment to the English laborer equal to the loss it occasioned through emigration. John Cary also raised the question "whether the settling of our plantations has been an advantage to the nation" and made a similar estimate of the relative worth of the various colonies, asserting that they "are an advantage to this kingdom, tho not all alike." The tests applied by Cary in determining this advantage were the same as those used by Child, namely, the effects of colonial trade on employment. For similar reasons, William Wood defended the colonies against the charge of impoverishing the nation:

They will as they increase in people probably consume much more of our manufactures than at present they do though they now give employment to many thousands of artificers here at home, and take off great quantities of our inferior manufactures....

<sup>1 &</sup>quot;The people who evacuate from us to the Barbadoes and the other West India plantations...do commonly work one Englishman to ten or eight blacks; and if we kept the trade of our said plantations entirely to England, England would have no less inhabitants but rather an increase of people because of such evacuation, because that one Englishman with ten blacks that work with him, accounting what they each use and wear, would make employment for four men in England..., whereas, peradventure of ten men that issue from us to New England and Ireland, what we send to or receive from them doth not employ one man in England." Sir Josiah Child, New Discourse (1693), pp. 204-07.

<sup>2 &</sup>quot;The reasons... against them are: that they have drained us of multitudes of people who might have been serviceable at home, and advanced improvements and manufactures; that this kingdom is worse peopled by so much as they are increased, and that the inhabitants being the wealth of a nation, by how much they are lessened, by so much we are poorer than when we first began to settle those colonies.

<sup>&</sup>quot;To all which I answer: that tho' I allow the last proposition to be true, that people are the wealth of a nation, yet it can only be so where we find employment for them, otherwise they must be a burden to it; 't is my opinion that our plantations are an advantage to this kingdom, tho' not all alike, but every one more or less, as they take off our product and manufactures, supply us with commodities which may either be wrought up here or exported again . . . employ our poor and encourage our navigation." John Cary, Essay toward Regulating Trade (2d ed., 1719), p. 47.

Nor can we have reason to complain of wanting the inhabitants they may have taken from us because the superlucration from the same number of men over and above their own nourishment could in no manner of ways have been so beneficial to the kingdom.<sup>1</sup>

In all these discussions of the economic value of the colonies to the mother country it will be seen that the issue was joined upon the question of the effect of colonization upon the labor supply of the nation. It appeared impossible to deny that emigration was directly prejudicial to the national interest, was, in fact, tantamount to an exportation of the prime material of the nation's wealth, and that without any apparent return. To permit this loss of labor power to continue unrestricted seemed to indicate a statesmanship almost criminally short-sighted; but the loss could be turned into gain provided the demand of the English laborer in his new environment could be so directed as to repair the gap his departure had made in the country's labor supply. The mother country could claim with justice that the colonist's demand should furnish employment for the labor of no rival nation; that his raw material should serve to enrich no foreign people, so long as the cost of emigration had been borne by England.

One interesting outgrowth of the Mercantilist's interest in the employment of the laboring classes was the effort to establish a moral control over the expenditures of consumers. From his partial knowledge of the matter, the social writer of the eighteenth century was induced to lay down the proposition that the rich performed a patriotic service by spending freely. The immediate effect of liberal

<sup>1</sup> William Wood, Survey of Trade (1718), pp. 132, 155.

<sup>&</sup>lt;sup>2</sup> This must be distinguished from the more modern fallacy, so wide-spread among wage-earners that the interest of the *laborer* lies in encouraging improvidence among the rich. The difference consists in assuming a different end to be served. Spending is encouraged by the laborer of to-day, not because it is supposed to *increase* national wealth, but, rather, because it is supposed to *redistribute* that wealth to the better advantage of the workman. The error lies in supposing that more employment and

spending would be employment for the laboring poor, but the end in view was not only that of alleviating the miseries of the lowest orders; employment would increase the number of laborers as well as their product and gains for the nation would follow through the familiar process of favorable trade balance. This thought appears to have been uppermost in the mind of Bishop Berkeley as he asked the following rhetorical questions:

Whether the industry of the lower part of the people doth not much depend upon the expense of the upper?

What would be the consequence if our gentlemen affected to distinguish themselves by fine houses rather than by fine clothes?

Whether building would not encourage all other arts in the kingdom? Whether by this means much of the substance and wealth of this nation which now goes to foreigners would not be kept at home, and nourish and circulate among our own people?

Whether as industry produces good living, the number of mouths and hands would not be increased; in proportion thereunto, whether there would not be every day more occasion for agriculture? And whether this would not employ a world of people? <sup>1</sup>

"Liberality in the rich" had appeared to Nicholas Barbon as of great value to the nation; he believed that free spending upon any of the three categories of human enjoyment — food, clothing and lodging — was socially beneficial to the extent to which it provided employment for the people. Thus he was enabled to decide that expenditure upon clothing was of greater social importance than expenditure upon food, and for this reason encouraged the spread of new fashions. But building was in a class superior to either, since the erection of houses in the country "employs a greater number of people than feeding and clothing." <sup>2</sup> Vanderlint, while decrying luxurious living of a degree which made impossible a proper provi-

higher wages result when the rich spend than when they invest. The Mercantilist doctrine was not advanced in the interest of the laborabut, rather, with the purpose of increasing national wealth.

<sup>&</sup>lt;sup>1</sup> George Berkeley, The Querist (1750 ed.), pp. 42 f.

<sup>&</sup>lt;sup>2</sup> Nicholas Barbon, Discourse (1690), p. 62.

sion for future generations of the family, admitted that he could not "call that state, equipage or way of living, which is suitable to the rank or condition of the man luxury hurtful to society, how pompous soever, if it be contained within the limits of his estate...for I think such state and way of living useful to society..." Even improvident, purposeless spending could be commended upon grounds which would pass unchallenged in that day, said Fielding:

The more toys which the children of all ages consume, the brisker will be the circulation of money and the greater the increase of trade.<sup>2</sup>

Josiah Tucker, the clergyman-economist, whose mode of thought bears close resemblance to Berkeley's, laid down the rules for prudent expenditure, stressing the duty of each man to educate his children and hand down to posterity a sufficient patrimony for the continuance of his family in its proper station. Whatever remained of his income after these subtractions, Tucker thought he was morally obliged to spend freely:

Were he to deny himself such gratifications as can be enjoyed compatible with these rules, he would not fill the station nor live up to the rank . . . allotted to him. In short he would be a covetous man injurious to society by defect.<sup>3</sup>

<sup>1</sup> Jacob Vanderlint, Money Answers all Things (1734), p. 102.

<sup>2</sup> Henry Fielding, Enquiry (1751), p. 11.

<sup>3</sup> Josiah Tucker, Seventeen Sermons (1776), pp. 161-62. See also Powell,

View of Real Grievances (1772), p. 335.

The doctrine did not pass unchallenged. Sir William Temple, who was impressed with the frugality of the Dutch and wrote with the purpose of exhibiting that people as an ideal, met the current doctrine of liberal expenditure with the very sensible remark: "The more of our own we spend [i.e. consume] the less we shall have to send abroad." Observations (1673), p. 210.

Thomas Mun made a similar remark: "The frugal expending of our own material wealth might advance much yearly to be exported unto

strangers." English Treasure (1664), p. 21.

Sir Dudley North has already been noticed for his thoroughgoing disproof of this doctrine. See *East India Trade* (1701), passim. See also, Slingsby Bethel, *Interest of Princes* (1680), p. 18.

The dominant nationalism of the day did not fail to detect the importance in the scheme of national purposes of the power wielded by the individual consumer and to attempt to subject it to the control of group aims. Now it is unquestionably true that so far as giving direction to society's productive effort is concerned, the consumer holds an almost dictatorial position, however oblivious he may be to the power he enjoys. This fact was not unknown to the writers of the period we are studying and they, free from a belief in the identity of national and individual interest which latter day liberalism possessed, argued from it the necessity of placing a social control over expenditure. Born of this attitude toward consumption, a peculiar conception of luxury arose; liberal spending was considered praiseworthy only when its object was the consumption of domestic commodities, for the rich man was held under obligation not only to spend his income freely, but to exercise great care in the selection of the objects of his desire. He was urged to discipline his wants until they could be satisfied with the products of his own country. There was, of course involved in this attitude, a naïve aversion to foreign manufactures, an aversion which was the product of an uncritical acceptance of the balance of trade doctrine; for the mere presence of articles of foreign workmanship in England was evidence of a debit entry in the trade statement of the nation, hence to be condemned. But this by no means represents the whole thought upon the subject, for we find here another phase of the labor theories of the times. To enforce the consumption of domestic products, would, so it appeared, set to work English laborers; population waited upon employment, hence to utilize to the full the existing stock of labor would not only be a means of enriching the nation directly, but would lay the foundation for further extension in national wealth. On the other hand, if purchase were made of goods produced in foreign countries, was not the buyer giving employment

to the laborers of another nation? And did not this at once withhold from England a potential gain and bestow that gain upon the people of a foreign, and, presumably, an enemy, country? If we grant the fundamental premise from which these thinkers reasoned — that the wealth of the country consists in the supply of its labor industriously employed — the conclusion that whatever gives employment to the native laborer tends to increase the nation's wealth, seems unavoidable. Equally so appears the corollary, that the individual consumer serves his country when encouraging the production of native wares and injures it when, through his purchase of foreign substitutes, he withholds his support from the native laborer.

Thomas Mun dealt with the subject of luxury in a typically Mercantilist fashion, drawing a distinction between "national luxury" and the unthrifty spending of individuals. He would allow, even commend, the extravagance of the rich so long as it was expended upon native goods, but condemn that "disorder of the people, where, through pride or other excess, they do consume more foreign goods in value than the wealth of the kingdom can satisfy and pay for by exportation of our own commodities." Such conduct in a nation, he decried as the "very quality of the unthrift who lives beyond his means." This

¹ It is hardly necessary to point out the fallacy in the reasoning by which the consumption of domestic productions was made a necessary means of employing the native laborer. The veriest tyro in economics would be at no great pains to prove that the most eligible means of giving employment to the labor within the country might be to increase the imports (and the reciprocal exports).

<sup>2</sup> "The pomp of buildings, apparel and the like, in the nobility, gentry and other able persons, cannot impoverish the kingdom, if it be with the curious and costly works upon our own materials, and by our own people, it will maintain the poor with the purse of the rich..." English Treasure (1664), p. 149. But Mun is not consistent throughout;

see p. 21 for an apparently contradictory remark.

In very similar words, an anonymous writer of 1700 proposed that "such superfluous things as can be made at home be allowed in use, that so the vain rich person may support the poor one." A Proposal for Remedying Luxury, p. 2.

is true balance of trade doctrine and reveals its origin clearly; the tone runs through the literature of the following years.

Blewitt, writing in 1725, in indignant refutation of the thesis of Mandeville's Fable of the Bees, gave a definition of national luxury which for conciseness improves on Mun's:

It is a received maxim of every trading country that the imports must never exceed the exports, and that when they do, their trade is prejudicial to them; why prejudicial, or how does it appear so? Because such exceedings of imports are a demonstration that the people of that country spend more than the product of their own soil; that is, they are extravagant or luxurious.<sup>1</sup>

Blewitt, by reason of his opposition to Mandeville's thesis, did not fall into the "make-work" errors so prevalent among his contemporaries; but other writers lacked his safeguard. Samuel Fortrey could scarcely have spoken with greater emphasis when he asserted that extravagant expenditure "ought to be maintained and encouraged" provided only it be directed in such a way as "to employ our people and keep our treasure at home." For, says he, "the ruin of one would raise as much another... and money would thereby be more moving, which would be a great encouragement and satisfaction to the people." <sup>2</sup>

As appears from these quotations, the line between praiseworthy expenditure and luxury was drawn with sufficient clearness in the minds of these writers who believed in the national utility of creating employment. To insist on frugality in all things would apparently cause injury to the domestic laborer, for it seemed that there would be just so much the less work to be done; but the sanction did not cover those forms of extravagance which could be satisfied only with products from abroad, for,

<sup>&</sup>lt;sup>1</sup> George Blewitt, Practice of Virtue (1725), p. 40.

<sup>&</sup>lt;sup>2</sup> Samuel Fortrey, England's Interest (1673), p. 27.

granting that employment varies directly with the liberality of spending, such extravagance seemed to increase the demand for the labor of foreign nations with the attendant increase in their wealth. Berkeley spoke the universal condemnation of this sort of luxury, though perhaps with a sharper edge upon his words than his contemporaries could attain, when he said:

Whether it be possible for this country to grow rich so long as what is made by domestic industry is spent in foreign luxury?

Whether she would not be a very vile matron, and justly thought either mad or foolish, that should give away the necessaries of life from her naked and starving children in exchange for pearls to stick in her hair, and sweetmeats to please her own palate? <sup>1</sup>

Such ideas as these lend their support to the sumptuary laws for which the Mercantilist was so scornfully censured by the Utilitarian.

The doctrine of employment was presented in a variety of aspects during the period, one of which involved the formulation of a new theory of money. An over-emphasis upon the importance of the money metal was, perhaps, the distinctively Mercantilist error; but the idea that gold and silver alone embodied riches did not long persist in the

<sup>1</sup> George Berkeley, The Querist (1750 ed.), pp. 55, 19.

In 1700, one writer believed the cause of pauperism in Scotland to be the unemployment which resulted because "a spirit of luxury and prodigality . . . gradually instilled in the nation all manner of vanity in apparel and household furniture and so thereby we came to loath our own product and the industry and virtue of our own people." Letter . . . Occasioned by the Poverty of the Nation, p. 6.

For the same reason Joshua Gee asserted that French fashions were pernicious to England. See *Trade and Navigation* (1738 ed.), chap. XXII.

Sir Francis Brewster defined luxury as any consumption of foreign goods which occasioned an outflow of money. New Essays (1702), 35-45; the writer showed his adherence to the employment doctrine by the title of his fifth essay (p. 45): "The full employment of all hands in the nation is the surest way and means to bring bullion into the kingdom."

See also Joseph Massie, Plan for Charity Houses (1758), p. 52, where is presented a very doleful picture of the effect of "luxury" upon the

English laborer.

period we are studying. By the end of the seventeenth century, it was generally believed that the value of money decreased as its quantity increased and that efforts to enrich the nation by storing up large stocks of precious metal would defeat their own ends. Sir Dudley North, as usual in advance of his day, blazed the trail in this as in other realms of economic thought. John Locke also understood the general relationship between the supply of money and its value. John Law believed that the value of money depended upon its quantity in relation to the amount of goods to be exchanged for it.

Bellers repeated the conventional quantity theory in his writings <sup>4</sup> and William Wood disposed of the moribund Mercantilist concept of money in a single sentence. <sup>5</sup> Bishop Berkeley pivoted his plea to the Irish to bestir themselves in an attempt to retrieve their fallen fortunes upon a refutation of the money fallacy and a more correct formulation of the theory; <sup>6</sup> and Hume summed up, in his admirably clear and readable style, the progress of thought upon the subject at the middle of the eighteenth century, laying down a theory of money which requires but little correction to bring it into harmony with some modern reasoning.<sup>7</sup>

However, in spite of the growing tendency to restrict the function of money to its true sphere as a medium of exchange, there persisted an over-emphasis upon the

<sup>1</sup> See Discourses upon Trade (1691), passim.

<sup>&</sup>lt;sup>2</sup> John Locke, Some Considerations on . . . Interest (1692), p. 24.

<sup>&</sup>lt;sup>3</sup> "Silver in bullion or money changes its value from any change in its quantity or in the demand for it; in either of these cases, goods are said to be cheaper or dearer, but it is silver or money is dearer or cheaper, being more or less valuable and equal to a greater or lesser quantity of goods."

Money and Trade (1705), p. 63.

<sup>4 &</sup>quot;As money increaseth in quantity in a nation, it decreaseth in value." John Bellers, Essay (1714), p. 43.

<sup>&</sup>lt;sup>5</sup> "Gold and silver are no otherwise of intrinsic value in themselves than as they are a settled and constant exchange of commodities of all kinds." Survey and Trade (1718), p. 334.

<sup>&</sup>lt;sup>6</sup> George Berkeley, The Querist (1750 ed.), passim.

<sup>7</sup> David Hume, Political Discourses (2d ed. 1752), pp. 41-59.

importance of a large supply of precious metal within the country and the necessity of increasing this supply through the favorable balance of trade. In this sense, it may be affirmed that the balance of trade doctrine retained its hold upon the economic thought of the period until the appearance of The Wealth of Nations. 1 But the survival of this stress upon the importance of money is to be correctly understood only as a phase of the labor theories of the time. When it became clear that the function of money was that of a medium of exchange, the precious metal was given a new rôle to play in the domestic economy of the nation, a rôle known as the "circulation of commodities." In this new character, money was looked upon as a dynamic force stirring in the channels of production, facilitating the transfer of wares, and, above all, supplying work to the English artisan. There was a partial understanding of the fact that the possession of money bestows purchasing power upon the possessor, hence money was looked upon as a creator of demand for commodities and ultimately for the labor by which commodities were produced. This idea was carried to illogical conclusions, for an attempt was made to establish a quantitative relationship between the supply of money and the demand for labor: to conclude that demand would increase directly with the increase in the amount of circulating medium, and that an increase in employment would be the consequence. To obtain a large supply of money had once been viewed as an end of all efforts toward enriching the nation; now it became a means but, it was thought, a necessary and indispensable means, of exploiting the true source of national wealth—the labor of the people. Stagnation and unemployment seemed to be the unavoidable consequence of sluggish circulation, just as brisk trade and full employment awaited an adequate supply of money. Said an anonymous writer of 1700:

<sup>&</sup>lt;sup>1</sup> This appears to be in disagreement with Ingram; see *History of Political Economy* (1897), p. 50.

The money in a kingdom or commonwealth is... the blood that circulates through the veins and arteries of the body and communicates life and vigor to every part, without which the members would become dead and uncapable to assist or comfort one another.<sup>1</sup>

Samuel Fortrey shows in one of his statements how the balance-of-trade doctrine was related to the problem of employment. In speaking of the loss occasioned by "unfavorable" trades, he says: "Our treasure must be wasted to even the balance; and so our own people remain idle." 2 Brewster, also an advocate of employment, made of the consumption of gold and silver in the arts a cause of the idleness of the laboring classes; because of the excessive use of the precious metals for ornament, he says, "there is not enough money for the common use of the nation and therefore the poor are not employed." 3 The same writer attempted an explanation of the process by which a plentiful supply of money caused an increase in employment, asserting that such a condition compelled the rich to seek profit upon their excess funds by giving "action to the poor." This "action," the result of the effort of the possessors of money to "lay out such . . . as must otherwise rust by them in the employment of artisans," caused an increase in manufactures and enabled England to "afford them cheaper abroad." 4 Affording commodities "cheaper abroad" was a much sought means of increasing national competing power and producing the favorable balance. Brewster suggested in the foregoing quotation the cumulative effect which the favorable balance, operating through

<sup>&</sup>lt;sup>1</sup> The Undoubted Art of Thriving (1700), p. 11.

<sup>&</sup>lt;sup>2</sup> Samuel Fortrey, England's Interest (1673), p. 27.

<sup>\*</sup> Sir Francis Brewster, New Essays (1702), p. 38.

Hoarding of metal was supposed to have the same pernicious effects. Charles Povey wrote: "Trading is reduced to the lowest ebb and most of our cash is either engrossed in some few particular hands or made use of to other purposes. In the meanwhile the poor have not the wherewithal to set themselves to work." Unhappiness of England (1701), p. 51.

<sup>4</sup> Sir Francis Brewster, Essays (1702), p. 41.

the effect of an increasing money supply upon the labor of the people, was supposed to have upon the wealth of the nation. This tendency toward progressive increase in riches was more clearly pointed out by the anonymous writer of Essay for Promoting Trade which appeared in 1705:

Coin would also set all the poor of the nation awork in our inland manufactures... so as to make a total consumpt of our wool and other products which to our unspeakable loss and disadvantage is yearly exported in great quantities; and, if once we could but be masters of our fishing trade and manufacture all our products within ourselves, then we might reasonably expect to see, and that in a short time, such quantities of good coin yearly imported to us... as would make us become one of the most flourishing and happy nations of Europe.<sup>1</sup>

We are not here concerned with the correctness of the reasoning by which these writers persuaded themselves that increase in national wealth depended upon an increase in the supply of money, but only with tracing the connection between this idea and the doctrine of employment. It is apparent that the writers quoted believed the source of national wealth to be in last analysis the labor of the people, that the exploitation of this source demanded a full employment of the working classes, and that increasing stocks of silver and gold would lead to full employment. Until the supply of money was adequate, then, it appeared that the nation's wealth would fall short of its fullest possible expansion; therefore, although the clarifying thought of the time rejected the early belief that national wealth could be visualized as so much silver and gold, yet the maintenance of a favorable balance of trade still appeared a matter of utmost importance.

It has been indicated how the theoretical aspects of the subject of creating employment were complicated by the vast and pressing practical problem of pauperism: as this problem grew in complexity and size, the practical aspects

<sup>&</sup>lt;sup>1</sup> Essay for Promoting Trade (1705), p. 4.

attained the ascendency. It was believed that to leave in idleness laborers who might be employed were proper care and attention given to directing their labor was doubly injurious to the country; for not only would such negligence of the interests of the nation deprive her of that gain which, as was believed, always accrued from labor expended either on raw materials for export or on goods which were being imported from foreign countries, but it would also multiply the numbers of beggars whose support was a drain upon the industry of the country. Schemes for employment were proposed with this double benefit in mind. Believing that an adequate stock of money was a sine qua non of full employment, it was natural that economic writers should attempt to gauge the progress of its increase or diminution with an anxious eve. The multitudinous proposals for manufacturing various forms of paper currency which were advanced at the opening of the eighteenth century were expected to work out their good effects through their influence in stimulating employment. Thus Bindon, when projecting such a scheme for Ireland, made the statement that a double benefit would result from replenishing a supposedly depleted stock of money. Pauperism in Ireland was, he thought, due to a scarcity of money which made full employment impossible. Not only could this social problem be remedied, but a net gain in national wealth could be achieved through the effect of employment in increasing "the public stock," provided an initial increase in money were to set the process in operation.1

<sup>1 &</sup>quot;The scarcity of money in Ireland deprives the common people of a great part of the necessary means of their subsistence and this increases the number of beggars and idle people among us.... This portion of the people may be set to work so as to increase the public stock by at least 40s. per annum each person.... This alone (without computing the consequential advantages resulting to the commonwealth from the employment of so many hands) would amount to 150,000l. per annum.... This is the natural way of employing ... the people." David Bindon, A Scheme (1729), p. 62.

But the name most closely connected with the paper money schemes is that of John Law, the ingenious Scotchman who won fame in three nations by his credit projects. There is a tendency to-day to hold him guilty of the stupid belief that national wealth could be increased by the turn of the printing press. This seems unjust. It has already been shown that he understood the tendency of money to depreciate in value as its quantity increases, and an examination of his works shows that his advocacy of irredeemable paper money was founded on more subtle reasoning. Believing that "people and their industry are the most solid riches of a nation," Law, like his contemporaries, was an earnest advocate of exploiting their labor. But employment was impossible without money; in fact, it varied, so Law thought, in direct proportion with the money supply of the country 1 and since population would increase pari passu with employment, expansion in national wealth was conditioned upon increasing the monetary stock.2

A clear exposition of the dependence of national wealth on labor and labor on money, was given by Law in an interesting attempt to reason from the "Crusoe" economy so popular among economic theorists a century later:

Suppose an island belonging to one man, the number of tenants, 100, each tenant, 10 in family; in all 1000. By these the island is labored, part to the product of corn, the rest to pasturage; besides the tenants and their families there are 300 poor and idle who live by charity. There is no money but rents are paid in kind, and if one tenant has more of one product and less of another than his family has occasion for, he barters with his neighbor.

The people of this island know nothing of manufacture; the island being plentiful furnishes enough for their consumption

<sup>1 &</sup>quot;Domestic trade depends on money. A great quantity employs more people than a lesser quantity. A limited sum can only set a number of people to work proportionately to it.... Nor can more people be set to work without more money to circulate so as to pay the wages of the greater number." John Law, Money and Trade (1705), p. 13.

2 Ibid., pp. 19, 39, 101.

and an over-plus which they exchange on the continent for clothes, and what other goods they want. But as that over-plus is only sufficient to make a yearly return of such a quantity of goods as they consume yearly so they have no magazines of arms, ammunitions, etc., for their defense.

'T is proposed to the proprietor that if a money were established to pay the wages of labor, the poor might be employed in manufacturing such goods as before were exported in product; and as the 1000 that labor the ground were idle one-half of their time, they might be employed so as their additional labor would be equal to that of five hundred more which would lessen their import by providing them with a part of such goods as before they brought from the continent, and raise their export to three or four times the value it had, the return of which would furnish them with greater quantities of foreign goods than they wanted for their consumption, which might be laid up in magazines....

The proprietor coins money to the value of a year's rent, employs such as are willing to work and gives them paper money as the price of their labor. The tenant gives corn or any other goods he has to the laborers for paper money. But as the consumption of the laborers may be supposed to be equal to one half the rent payable . . . so the tenants cannot get the whole sum issued by the proprietor and consequently not enough to pay their rent. If this were not remedied, the laboring men, being masters of the remaining part of the paper and having no occasion for more goods from the tenants, might raise the value of the paper. To prevent this the proprietor coins a greater quantity which brings a part of the poor and idle of the continent whereby the tenants are able to pay their rent in paper as contracted for. The addition of the people is an advantage to the island for it adds power to the island and their labor is worth double what they consume. The money though it has no value but that the proprietor gives it in payment of his rents, yet it will be esteemed equal to the product paid before.1

It is not our intention to analyze the correctness of the above given train of reasoning, though it is apparent that the question is begged in the assumption that the proprietor, possessing the largest share of the yearly income of the island, had not the necessary wherewithal to set the idle to work, but must invent for that purpose a paper

<sup>&</sup>lt;sup>1</sup> John Law, Money and Trade (1705), pp. 97 ff.

money. However inconclusive the reasoning, it is very apparent that the writer looked upon money, not as national wealth *per se*, but as an indispensable means for exploiting the labor of the people — the real source of the nation's wealth.

This conviction of social writers that employment of the people depended upon the quantity of money in circulation frequently caused them to express anxiety lest the supply of money prove inadequate to render complete service to the nation. Thus John Locke, though he held to a "quantity theory" of the value of money, believed that the supply might be too scant to "drive the trade"; he said:

It cannot well be thought that less than one-fiftieth part of the laborer's wages, one-fourth part of the landholder's yearly revenues, and one-twentieth part of the broker's yearly returns in ready money, will be enough to drive the trade of any country... can be enough to move the several wheels of trade, and keep up commerce in that live and thriving posture it should be, and how much the ready cash of any country is short of this proportion, so much must the trade be impaired and hindered for want of money.<sup>1</sup>

The task of ascertaining the amount of money necessary for the well-being of a country was attempted by Harris with especial reference to Ireland, but with a conclusion stated in the following general terms:

There ought to be as much money as one year's rent. 2. It is necessary there be also as much coin as one year's value of the natural produce of the kingdom does amount to, at least as the commodities exported in that time do come to. This is the merchant's and tradesman's share of the money. 3. So much money as one year's revenues and taxes does amount to. 4. So much money as the tithes and living doth amount to. 5. It's needful that there be manufactures in the kingdom to employ the indigent . . . and if so it's necessary there should be so much money for that use as one year's manufacture doth amount unto.<sup>2</sup>

John Locke, Some Considerations (1692), p. 15.
 Sir Walter Harris, Remarks (1691), p. 30.

Harris's results are, of course, of no value, but they acquire new significance when placed in proper relationship to the core of reasoning which runs through his book. Ireland's failure to make the most of her resources, the author believed to be due in large part to the "paucity of inhabitants," the whole number being reckoned at "but 1,200,000 souls, whereof 300,000 are children, many of their quality exempt from labor, and the rest few enough for tillage and husbandry." 1 But tillage and husbandry would not enrich any nation because these lines of occupation could not supply exports of sufficient value to produce a favorable balance of trade; Ireland, then, must turn to manufacture and to this end must increase her population and encourage industry. It was as an agency for enlisting labor in the cause of enriching the country, that the supply of money received attention.

Sir William Petty and Sir Dudley North were as free from the Mercantilist money fallacy as any writers of their day; the former believed that the supply of money within the country might be too large and strongly opposed all attempts at prohibiting its exportation, but even Petty attempted to estimate the amount of coin necessary to discharge the duty of "circulation" and stated his conclusions in such a way as to imply the possibility of a deficiency.<sup>2</sup> North, too, believed that the evil would correct itself through the effect upon the price level.<sup>3</sup> Neither of

<sup>&</sup>lt;sup>1</sup> Sir Walter Harris, Remarks (1691), p. 9.

<sup>&</sup>lt;sup>2</sup> Petty computes the amount of money expended throughout the year by the six million inhabitants in England, divides this amount by the velocity of circulation and concludes that the result is the amount required to "drive the trade of the nation." He leaves the reader to infer that less than this amount would be insufficient to answer the full requirements of trade. See *Political Arithmetic* (ed. 1755), p. 179.

<sup>3 &</sup>quot;There is required for carrying on the trade of the nation, a determinate sum of specific money, which varies . . . as the circumstances we are in requires. . . . This ebbing and flowing of money supplies and accommodates itself without any aid of politicians. . . ." Discourses (1691) p. 35.

these writers, it is true, affirmed the dependence of employment upon the quantity of money and so should not be grouped with the authors whom we have considered above; but they certainly lent the power of their authority—slight, as has been seen, in the case of North, but not so in Petty's—to the support of the popular belief that a dearth of precious metal might exist, and this belief bore directly upon the doctrines of labor in the minds of other writers. Even Hume, who judged with sufficient clearness as to the true function of money, gave his support to the opinion that employment depended upon the state of the monetary stock; he said:

We may conclude that 't is of no manner of consequence with regard to the domestic happiness of a state whether money be in greater or less quantity. The good policy of the magistrate consists only in keeping it, if possible, still increasing, because by that means, he keeps the spirit of industry alive in the nation, and increases the stock of labor, wherein consists all real power and riches.<sup>1</sup>

Thus, except that he minimized the importance of the absolute supply of money, Hume gave his assent to the popular opinion that employment is conditioned upon an increasing stock of precious metal.

The notion of the relation between the amount of employment for the laboring classes and the amount of money within the country was, no doubt, produced in this period by the fusion of the early Mercantilists' over-appreciation of the precious metals with the later theory of the national importance of the laborer. But its vitality may, in part, be accounted for by the fact that it contained a sufficient element of truth to obtain empirical support. Modern economic theory does not answer the question, "What stock of money will best meet the needs of the nation?" It deals almost entirely with the effect of the proportion of money to goods upon the level of prices and through that

<sup>&</sup>lt;sup>1</sup> David Hume, Political Discourses (2d ed. 1752), p. 50.

upon international trade, which apportions to each country its due share of the world's active stock of money. We are left to infer that that share, whatever it may be in absolute amount, when increased by the various forms of credit currency and multiplied by the velocity of circulation will suffice to perform the exchanges of the country after the price level has been adjusted. But unquestionably, there is a certain minimum of convenience below which the stock of money may not sink without seriously crippling domestic trade; certainly to force a reversion to barter through a lack of generally acceptable medium of exchange, would be a fatal blow to the productive energies of the country. Modern facilities for liquidating partially completed business transactions and attaining continuity of production through the use of credit; the enormous increase in the world's supply of money metal, and the perfecting of agencies for stimulating the velocity of circulation; the relative freedom of international trade which connects the internal economy of nations with the world's stock of circulating medium, have all united to make anxiety concerning the absolute supply of money unnecessary. But it must be borne in mind that these conditions were either non-existent, or obtained to a much smaller extent, during the period of our study.

Furthermore, it is true, as Hume pointed out, that a gradually rising price level exerts a stimulating influence upon domestic trade, making business brisker and "keeping the spirit of industry alive." Rising prices operate toward this end by increasing enterpriser's gains, and to some extent the labor does reap the benefit of "full employment" from an increase in the national stock of money. In such an economy as obtained in England from 1650 to 1775, the ordinary laborer partakes largely of the

<sup>&</sup>lt;sup>1</sup> See for instance, Irving Fisher, The Purchasing Power of Money (1911). For a different view see J. L. Laughlin, The Principles of Money (1903), chap. xi.

nature of the modern enterpriser; his wages depend upon the prices at which he can sell the products of his cottage manufacture, and will increase with the "spread" between the value of his raw material and that of his finished product. Since the latter is the first to feel the effect of a rising price level, the laborer gains during a period of money inflation. There was, then, a kernel of truth in the desire of these writers, whose primary interest was the employment of the people, to keep England's stock of money constantly on the increase.

In the preceding pages, an effort has been made to trace a few of the many attempts to create and expand employment to their origin in the parent doctrine of the national importance of the laboring classes. It is believed that this attitude toward the lower orders in England gave color and character to the domestic policy of that country during the century when she was struggling with the gigantic problem of pauperism, for, with an increasing burden of poor relief menacing the prosperity of the nation, the thought of public-spirited men who entertained an earnest belief that the labor of the people, if they could only be employed, would bring riches to the country, turned ever more constantly toward projects which promised employment. The policies thus far considered were persuasive in their attitude toward the poor; as they failed to attain the hoped-for end, and as unemployment and pauperism remained not only undiminished but increasing, these policies gave way to, or were reinforced by, others more severe and drastic. It will be our purpose in the chapters following to consider some of these more coercive policies. and to examine the nationalistic principles underlying them.

## CHAPTER IV

## THE DOCTRINE OF THE RIGHT TO EMPLOYMENT AND THE DUTY TO LABOR

In one of his essays Oliver Wendell Holmes speaks in striking language of the "polarization" of words and ideas - that rigidity of thought which attaches inelastic concept to terms. Habitual use of words in certain meanings closes the mind to the reception of their rarer connotations, making it extremely difficult for two men with different points of view to reach a point of common understanding when using the same language. This difficulty is greatly magnified when one is attempting to understand the thought of a period, remote in point of time from his own and cut off still more completely by a revolution in economic, political and social institutions, for it is then a positive disadvantage if a common language has served to convey the thought of both periods. Ideas of the earlier time expressed in terms still current but with greatly altered connotations are unconsciously interpreted as familiar concepts and their meanings, thus distorted, betray the student to false conclusions. Our problem in this attempt to understand the position of the laborer in nationalist England of the eighteenth century consists largely in the difficulty we encounter of grasping the significance of Mercantilist terms and concepts.

The individualism which has been the controlling factor in modern economic policy absolves the laborer from moral obligations in the expenditure of his productive effort and leaves him under the governance principally, if not solely, of self-interest. There is normally no moral compulsion directing him to engage in certain lines of activity and excluding him from others, no moral power commanding

him to remain at work longer than his economic interests require or to seek work when he is able to live in idleness: the balance of utility and disutility determines for him how much labor he shall undertake. On the other hand, it is quite as foreign to individualistic philosophy that the laborer should enjoy a right to employment enforceable against any employer, public or private, who does not voluntarily contract for his services. Despite a sentimental feeling on the part of many that the "world owes every man a living," no machinery exists to compel an unwilling employer to provide work to the man who is involuntarily idle, to render effective whatever "right to a job" the unemployed workman may believe should be his. In an individualistic society the phenomenon of idleness brings no disgrace upon either workman or employer; there is no duty to labor and no right to employment.

In this regard there is an essential distinction between nationalism and individualism, for in a nationalistic régime duty supplants utility as the governor of economic conduct. Our recent experience with the economy of war has given us emphatic illustration of this aspect of nationalism. With the country at war a conviction developed in the common mind and was given positive expression in the literature of the country that the workman who was idle in the crisis was renegade to his duty to the nation, and that he who made of the existing high rate of wages an opportunity for reducing his working days per week was guilty of a form of treason. Indeed, so pronounced had this conviction grown in the short space of two years that it had won for itself a legal sanction in many states while in others the moral pressure of an aroused community provided a sanction sufficiently strong to bring home the obligation to labor with compelling force to the individual. When nationalism is dominant in the thought and policy of society the individual laborer finds that personal inclinations and personal utility must give way before the supreme consideration of national duty; such was the position of the English laborer during the period we are reviewing; the social theory of the time was colored by prevailing notions of the right to employment and the duty to labor.

The much abused term "right" must be used with caution. Let it be granted that man has no rights which are not enforceable by his own or some extraneous power. The right of an individual against society — that is, the claim which one or more members hold against the other members of a group — must be one whose enforcement is guaranteed by a common consent, however unconsciously this consent has evolved. Should the common consent be powerful enough to shape the acts of individuals, it need not be embodied in a written law in order to constitute a right, for a right may be said to exist wherever the sanction of custom has sufficient authority to enforce the claim. Thus defined, the word may be too strong to describe the claim of the laborer to employment during the period we are studying, for it is true that that claim was infrequently given clear and explicit recognition in the writings of the time. Similarly, with regard to the "duty to labor" it must be stated that few clear expressions of the doctrine are to be found. There is a minimum of theorizing in this literature and an almost total lack of those abstractions and refinements of theory which are the product of a mature system of reasoning. Theories must in most cases be inferred from the practical proposals which were put forward, for the writers of the time were not amusing themselves with speculations about the social structure when they suggested the right of the lower classes to employment and their duty to labor; on the contrary, they were attacking a very grave problem and a very concrete one, and were writing with a fixed purpose of advancing expedients by which the problem could be solved. Implicit in these proposals however are these two

doctrines of the rights and duties of the laboring classes; the right to employment receiving the chief stress during the first part of the period while minds were possessed of a notion that England suffered from a lack of employment; the duty to labor, when it was apparent that idleness was becoming more prevalent, beggars more numerous and the poor rates more burdensome.

If the conclusions reached in the preceding chapters are well founded, the logic of this attitude toward the laboring population is apparent. Vital importance, as we have seen, was attached to the subject of national wealth while the social writers concurred with great unanimity in the opinion that the laborer was the ultimate source of that wealth: was it not, then, a direct conclusion that national interest demanded that no man be compelled to remain in idleness when willing to work? Here existed the most congenial soil for the nurture of a right to employment namely, the self-interest of society generally recognized by its members. A social body thus conscious of its interest would be to the right to employment upon the laborer without awaiting a demand for it from him. Likewise, as it became more and more evident that the laborer preferred idleness to employment and pauperism to a life of industry. a society believing that full employment was essential to its well-being, would be led to emphasize the duty of the poor to labor.

Clear enunciation of this attitude toward the laboring masses is not entirely lacking among the writings of the period. Thus in 1717, Lawrence Braddon laid down the following propositions, among others, to form the foundation principles for his *Bill for Employment*:

That it is both our duty and interest that no poor Briton should be . . . forced to beg or steal, or take any other vicious course for bread.

That it is our interest that none of our commonalty who are willing to work, should on working days be obliged to be idle,

but that all such persons of both sexes, and all capacities may know where they may be received and employed.<sup>1</sup>

Another writer in a work devoted to a similar purpose advocated the formulation of the duty to labor into a positive law; this writer was John Cary, who in the course of his book, stated succinctly the national interest in the problem of employment:

When the nation comes to see that the labor of its people is its wealth it will put us on finding out methods to make every one work that is able.<sup>2</sup>

Cary believed that idleness among the people was injurious to the nation:

Whereas, we whose wealth consists in the labor of our inhabitants, seem to encourage them in an idle way of living contrary to their own and their nation's interests.<sup>3</sup>

And proposed that the government make involuntary idleness unnecessary, and idleness from choice criminal:

Here I find that nothing but good laws will do it, such as may provide work for those who are willing, and force them to work that are able.<sup>4</sup>

Both Cary and Braddon would have agreed that the claim of the laborer for employment coincided with the national interest. That any laborer willing to work should be forced to remain in idleness because of lack of employment appeared no more an injury to himself than to the state, and, with a confidence in the efficacy of government action which is typical of their day, these writers assumed that "good laws" were competent to remove this evil so contrary to the general interest. In the same spirit, Thomas Lawton as early as 1660 had proposed the establishment of a government employment office to which all the unemployed might resort.<sup>5</sup> But to the minds of these

<sup>&</sup>lt;sup>1</sup> Lawrence Braddon, Abstract of a Bill (1717), p. viii.

<sup>&</sup>lt;sup>2</sup> John Cary, Discourse on Trade. . . . (1719 ed.), p. 83.

<sup>&</sup>lt;sup>8</sup> Ibid., p. 103. <sup>4</sup> Ibid., p. 105.

<sup>&</sup>lt;sup>5</sup> Thomas Lawton, Appeal to Parliament (1660), passim.

writers, the right to employment carried with it a corresponding duty to labor, for Thomas Lawton, like John Cary and Lawrence Braddon, insisted upon the compulsory employment of all those who proved themselves unwilling to work. The two doctrines issued from the same body of thought and are frequently found conjoined, though receiving unequal emphasis.

It required the burden of poor relief to bring out the strongest expression of the Elizabethan creed, "the poor man oweth to work." No one could have been more emphatic upon this point than Berkeley, when in his peculiar style, he said:

Whether if human industry be the true source of wealth, it doth not follow that idleness should of all things be discouraged in a wise state? Whether temporary servitude would not be the best cure for idleness and beggary?

Whether the public hath not the right to employ those who

cannot or will not find employment for themselves?

Whether sturdy beggars may not be seized and made slaves to the public for a certain term of years? 1

Berkeley was writing with his thought fixed upon the appalling condition of pauperism prevailing in Ireland and so was induced to carry the doctrine of the duty to labor to its extreme, though not illogical, conclusion of enforced servitude for the habitually idle. His was by no means a unique expression of severity, however, for a similar statement of the duty to labor was made by Fielding at the time Berkeley was writing:

The constitution of society in this country having a claim on all its members, has a right to insist on the labor of the poor as the only service they can render.<sup>2</sup>

These ideas led Fielding to propose that the idle be compelled to work at fixed rates of pay.<sup>3</sup> Twenty years later William Temple showed much the same spirit in his pro-

8 Ibid., p. 61.

<sup>2</sup> Henry Fielding, Enquiry (1751), p. xv.

George Berkeley, The Querist (1750 ed.), pp. 5, 41.

posals for employment by the terms of which every idle person was to be seized and incarcerated "where he shall labor fourteen hours a day; allowing proper time for his meals in such manner that there shall remain twelve hours of net labor... Many think vagrants should be made to work two hours more." Evidence of an official recognition of the duty to labor may be found in that Act which censured idleness so severely as to erect but a "cob-web partition between begging and stealing." And in harmony with this attitude toward the lower orders of society, it was generally believed that the children of the poor should be prepared early for the duties of their future station in the social structure. Said one writer in 1767:

Whenever either the legislature or private persons employ their care about the children of the poor, the principal part of their plan should be to inure them to the lowest and most early labor.<sup>3</sup>

These sentiments regarding the duties of the idle poor appeared after pauperism had become a problem challenging the attention of the most apathetic toward public matters; earlier writers were much more concerned with the right to employment. As early as 1646, the anonymous author of the quaint pamphlet, Parliament's Reformation, urged upon the rulers their duty to provide for the "employment of all sorts of poor, that no poor body, old or young, should be enforced to beg." 4 Firmin gives us an account of an experiment in poor relief founded upon public provision for all unemployed, which he tried out in the parish of Aldersgate. All able-bodied poor were compelled to apply at a certain place for work which they were assured of obtaining; the "impotent" were badged and allowed to beg from door to door. The writer was convinced that a general application of this principle would

<sup>&</sup>lt;sup>1</sup> William Temple, Essay (1770), p. 260. <sup>2</sup> 12 Anne, cap. 23.

<sup>3</sup> Management of the Poor, anon. (1767), p. 16.

S. H., Parliament's Reformation (1646), title-page.

solve the problem of pauperism. Upon public provision of employment for all Sir Josiah Child depended to some extent for the efficacy of his scheme for enriching the nation, though he recommended, along with government action, a more complete utilization of the initiative of private employers, urging in the spirit of liberalism which characterizes his book, that all monopolistic laws be repealed.

At the close of the seventeenth century, Charles Davenant showed that the thought of the day still turned toward the bestowal upon the laborer of a legal right to employment. It is, says he, "a defect in our constitution [that many] continue in wretched poverty for want of employment, though willing enough to undertake it." As with other writers, Davenant's interest in the laborer was not impelled by humanitarian motives; the "defect" of which he spoke appeared to him prejudicial to the welfare of the whole nation:

If all hands in the kingdom that are able were employed in useful labor, our manufactures would be so increased that the commonwealth would be thereby greatly enriched and the poor . . . would be a benefit to the kingdom.<sup>4</sup>

Two years later, Charles Povey, advocating a general system of work-houses, assumed the duty to labor <sup>5</sup> and proposed that "some kind of employment be provided for all sorts of people whatsoever." <sup>6</sup> And Blewitt, writing a quarter-century later, gives us evidence that the idea of the right to employment remained alive in the common mind; this writer was constructing an argument to prove the social benefit of labor-saving devices and proposed that

<sup>2</sup> Sir Josiah Child, New Discourse (1693), pp. 46, 131, 154.

<sup>&</sup>lt;sup>1</sup> T. Firmin, Some Proposals (1678), passim.

<sup>&</sup>lt;sup>3</sup> Charles Davenant, Essay . . . upon . . . the Balance of Trade (1699), p. 53.

<sup>4</sup> Ibid., p. 25.

Charles Povey, Unhappiness of England (1701), p. 55.
 Ibid., p. 65.

the laborer be compensated by the public for the injury he sustained from such advances in the technique of production; he said:

We will allow that such as are thus deprived of their employments have a right to a maintenance some way or other, and that the society is under an obligation to employ them.<sup>1</sup>

The two ideas are found closely intertwined in the book which Henry Fielding, the energetic Justice of Middlesex County, put forth in 1751. The daily contact of the writer with the dregs of metropolitan life, had eminently fitted him for drawing a striking delineation of the most unattractive characteristics of the lower orders. Fielding construed the intent of the great Elizabethan Poor Law to be primarily the conferring upon the laborer of a legal right to employment at public charge when other agencies failed, and he urged upon Parliament the need of providing an administrative machinery adequate to make this intent effective:

[To provide the right to public employment seems]... to have been the chief design of the statute of Elizabeth as well as of several statutes enacted since, and that this design hath hitherto failed may possibly have arisen from one mistake... that the legislature has left the whole work to the Overseers.... And yet, difficult as it is, it is not, I hope, impracticable, seeing that it is of such infinite concern to the good of the community.<sup>2</sup>

Believing that the bestowal of this right carried with it the duty to work, Fielding was principally engaged with projects for enforcing continuous labor upon the lower orders. He was convinced that the duty to labor as well as the right to employment had already received legal sanction from the British Constitution. Here he harked back to another Elizabethan statute <sup>3</sup> which compelled all the unemployed to become either apprentices or servants. In the

<sup>&</sup>lt;sup>1</sup> George Blewitt, Practice of Virtue (1725), p. 4.

<sup>Henry Fielding, Enquiry (1751), p. 47 f.
5 Eliz., cap. 4.</sup> 

mind of this writer the duty to labor implied a right of the state to set a maximum to the rate of wages.<sup>1</sup>

Echoes of these doctrines are to be heard through the succeeding years. Thus we find Joseph Massie in 1758 affirming that the laborer had the right to the alternative of employment or relief,<sup>2</sup> while an anonymous writer in the following decade indicated the right of the poor to employment and their duty to labor in these words:

It is absolutely necessary that employment should be provided for persons of every age that are able and willing to work, and the idle and refractory should be sent to the house of correction, there to be detained and constantly kept to hard labor.<sup>3</sup>

Contemporary with him, another unknown author stressed the duty of the laboring classes:

Such journeymen, day laborers, or others, who shall refuse to work the usual hours, for the price hereby stipulated, shall immediately, by the peace officers of the parish, be carried before a neighboring Justice of the Peace, and be by him committed to Bridewell, there to be kept to hard labor till they shall think proper to obey the laws of their country.<sup>4</sup>

We are here attempting to picture a social attitude, a habit of thought, toward the laboring man, and not to prove the existence in contemporary literature of carefully refined abstractions of his social rights and duties. Such doctrinal abstractions have never in the history of civilization proved nearly so potent in shaping public policy, determining class relationships, and easing or aggravating the friction of class contacts as have those unreasoned, perhaps unconscious, habits of thought which form an integral part of the *Zeitgeist*. The viewpoint of the higher classes toward the English laborer, it is believed, was during this period dominated by these ideas as to his rights and duties. Public policies suggested and adopted show the

<sup>&</sup>lt;sup>1</sup> Henry Fielding, Enquiry (1751), p. 61.

<sup>&</sup>lt;sup>2</sup> Joseph Massie, Plan for Charity Houses (1758), p. 112.

<sup>3</sup> Management of the Poor (1767), p. 65.

<sup>&</sup>lt;sup>4</sup> Propositions for Improving the Manufactures (1763), p. 58.

her he

influence of this attitude; attempts to maintain the status of the laborer, to exclude him from all avenues of social advancement, to manipulate his life conditions to the advantage, not of himself, but of that society of which he was the burden-bearer, indicate the dominance of the social attitude towards him which has been traced in the preceding discussion. The particular outworkings of these opinions in the domestic policy of the nation will be the study of the pages which follow.

Founded upon the prevailing idea of the efficacy of creating employment, the various workhouse projects exhibit in striking form the social attitude toward the laboring classes. This institution, it may be said, was the stock solution to the problem of pauperism, though it changed form and purpose during the period, taking its character in large part from the ascendency at different times of notions regarding the right to employment and the duty to labor, ideas which came to the front in turn. At one time it was believed that the blame for idleness and beggary did not rest upon the people but upon the nation's folly in withholding from the laborer that employment which it was both the national interest to bestow and the laborer's right to receive. The workhouse was then suggested as a place of manufacture, implying the right of the laborer to resort to a public industry when he failed to find work with private employers. When proposed in this character, the workhouse was rigidly true to the Mercantilist concepts of national wealth and the national significance of the laborer. Its aim was to enrich the nation by exploiting the labor of the people and not principally to relieve the distresses of the poor. To this end and in this spirit, it was first conceived and advocated. Significant as indicating this character is the fact that the early workhouse was not intended for the pauper class alone but for all workmen temporarily unemployed.

But as unemployment continued and the burden of the

poor rates grew steadily more grievous, the workhouse was proposed in a different spirit. The fault was then attributed to the sloth and indolence of the people; of work there was plenty but the "spirit of industry" was dead; some strange perversity appeared to possess the English laborer which caused him to prefer debauched idleness supported by charity to independence and thrift. This attitude toward the poor was stated tersely by Defoe: "The reason why so many pretend to want work is that they can live so well with the pretence of wanting work they would be mad to leave it and work in earnest." 1 And as the conviction spread that the poor were idle from choice, the purpose of the workhouse changed fundamentally; the change being accelerated by the failure of the earlier institution to return a profit. The new character of the workhouse was that of a "School of Industry" or a "College of Labor" with a purpose chiefly disciplinary, its advocates assuming at the outset the duty to labor, stressing the reclaiming effects of steady and enforced industry upon characters debauched by indolence and holding forth a promise of great future benefits to flow from the education in labor of the children of the poor. Education was an essential part of their plan, provision being made for the beginning of the discipline at an early age, and for the constant development of the educative process during the formative period of the child's life, the goal being an ultimate qualification of each child to discharge the laborious duties of his station in life. No one point in time can be designated as the date at which the later form of workhouse succeeded the earlier. for the two ideas were expressed concurrently in the literature of the entire period, the very earliest proposals 2

<sup>1</sup> Defoe, Giving Alms No Charity (Works, 1713), II, p. 430.

Thomas Firmin also proposed a "school in the nature of a workhouse

to teach poor children to labor." Some Proposals (1678).

<sup>&</sup>lt;sup>2</sup> Andrew Yarranton, a versatile linen draper, was the first to suggest the "school of industry" founded on the Dutch Model. See England's Improvement (1677), passim.

suggesting the advantage to be gained from the discipline of labor and the latest entertaining hopes of profit from the output of the workhouse. But, in general, the beginning of the second quarter of the eighteenth century marked a change in the concept, for before this date the majority of the champions of the workhouse based their proposals squarely upon the expectation of profit to be derived from employing the people while the disciplinary character of the workhouse received but incidental attention; after this date, however, the emphasis ceased to be upon the promise of economic gain, the chief hopes of the writers appeared to be a present relief from the burden of the poor rates, and a promise of future improvement in the morale of the laboring population, the result of an educative process.

The proponent of the workhouse in both of its forms evidently conceived of the laboring population as a class united to the social body by bonds of duty and drawing from their connection with the nation certain rights. The fact that the laboring population was viewed as a class and dealt with as a class shows that individualistic concepts of society did not embrace them. As a class they were to be patronized by the government, as a class, coerced, disciplined, punished, when patronage failed to awaken the expected response. Much was said of their duties and their station in life, little or nothing of their opportunities for advancement in the social scale; few were the proposals to throw them upon their own resources as individuals, many those which advocated comprehensive government action to control their conduct as a group. But through all these policies the idea of the national importance of the laborer was dominant; it was because of his importance in the national economy that public-spirited men urged the bestowal upon him of the right to employment and devised projects of great variety and number to render this theoretical right effective by furnishing work for him at all

<sup>&</sup>lt;sup>1</sup> See for instance, Wm. Bailey, A Treatise . . . on the Poor (1758), p. 45.

times. For the same reason, the doctrine of the duty to labor arose in time of need to establish a social policy which sought to compel him to render service even against his will.

A brief review of the workhouse literature will serve to illustrate the social attitude toward the laborer. The proposal advanced by the unknown author of "Parliament's Reformation," though it does not fall within our period, is worthy of notice because of its great likeness to those which were to follow. It was a typically Puritan project, founded upon the belief that the laborer had a right to employment 1 and advanced with a purpose of providing work for all who were unemployed. A three-sided institution was proposed; there was to be a manufacturing establishment for which supplies of hemp and flax were to be provided, a "school of industry" for children of the poor who were to receive instruction, also, in reading and writing, and a "house of correction" for the idle and wayward.2 No profit was expected from the venture, indeed the writer was not certain that it would even prove self-supporting. Thus there was absent from this proposal that profit-seeking character so prominent in those of like intent which later writers advanced. The writer did, however, suggest the social importance of the laborer in the rule which he urged Parliament to adopt, namely, that "every one should walk careful and laborious for the good of the Commonwealth." 3 and in this suggestion we may find an implication of the duty to labor.

Passing over Chamberlen 4 whose proposal was very similar to that of S. H. with the exception of its more compassionate view of the sorrows of the poor, and Thomas Lawton, whose suggestion of a government employment office was scarcely definite enough to be worthy

<sup>&</sup>lt;sup>1</sup> S. H., The Parliament's Reformation (1646), title-page.

<sup>&</sup>lt;sup>2</sup> Ibid., passim. <sup>3</sup> Ibid., p. 3.

<sup>4</sup> Peter Chamberlen, Poor Man's Advocate (1649).

of consideration, we come to Richard Haines. This writer made three different attempts to prevail upon Parliament to generalize the workhouse scheme. His suggestions were distinctly Mercantilist in sentiment; the institution as he viewed it was expected to increase national wealth by so directing the labor of the people as to produce a favorable balance of trade. The full title of his first pamphlet, Proposals for Building in Every County a Working-Almshouse or Hospital as the Best Expedient to Perfect the Trade and Manufactury of Linnen Cloth, 2 is significant of the author's intent, for the choice of linen cloth as the object of manufacture discloses an expectation of gain to arise from checking the exportation of money yearly sent abroad to purchase this foreign-made commodity. The hope of putting a stop to begging was also held forth.3 In the following vear the same author published his Model of Government for the Good of the Poor in further support of his workhouse scheme. Here especial attention was given to the children of the poor, who from the age of four were to be housed and set to work spinning flax with the aid of a machine of the author's own invention; said Haines: "By this means all the nation will suddenly be bred up to such an excellent, profitable way of industry that no nation in the world can exceed us." 4

The third proposal of this writer, published in 1681, disclosed his purpose even more clearly. His former suggestions had not been well received <sup>5</sup> and the author based his third attempt upon the more popular project of conserving England's wool supply. In this Haines pointed out in conventional Mercantilist style the loss suffered by England in allowing her wool to be exported at less than

<sup>&</sup>lt;sup>1</sup> Thomas Lawton, Appeal (1660). <sup>2</sup> Richard Haines (1677).

<sup>Richard Haines, Proposals (1677), passim.
Richard Haines, A Model (1678), p. 5.</sup> 

<sup>&</sup>lt;sup>5</sup> Haines was grieved by the charge of self interest preferred against him which had weakened the force of his suggestions. See *England's Weal* (1681), preface.

its highest value; but, he asserted, the supply of wool could not be manufactured at home because of a scarcity of labor, hence the nation's interest demanded the compulsory employment of all idle hands in whose labor lay the opportunity for national enrichment. To this end, he begged leave to bring in a bill for the creation of workhouses in every country to afford employment, voluntary or compulsory, to all "begging and poor people." 1 He computed that raw wool increased ten fold in value when worked up into cloth. This increase, drawn from the labor power of the workmen, was "clearly lost to the nation" while the poor who might have been contributing to the national wealth were being "maintained for begging, etc." 2 Convinced that such glittering possibilities lay in the employment project, to allow the workman to be idle might well seem to the Mercantilist writer a flagrant betraval of the nation's interests.

The workhouse proposals of the last two decades of this century turned on this point of creating employment. J. F., author of *The Golden Fleece*, proposing the establishment of government institutions manufacturing domestic wool for export, held forth glittering promises of national profit. Besides removing the charge of pauperism and reforming the characters of the begging class, these institutions would "enable us to undersell the Flemmings, French, etc.," to turn the labor supply of England toward the undermining of her competitors' hold upon the world markets, and import in great abundance "the guinea wedge, the silver bar, our Spanish bullion." Again, Lord

<sup>&</sup>lt;sup>1</sup> Richard Haines, England's Weal (1681), passim.

<sup>&</sup>lt;sup>2</sup> "These houses are the mother of industry, so 't is most certain that for want of the same expedients, in every 100l. wool exported unwrought there is 1000l. losses to the nation. . . . Thus all this which might so have been got by workmanship, etc., being ten times the value of the wool is clearly lost to the nation, while those who might do it are maintained for begging, etc." Ibid., p. 9.

<sup>&</sup>lt;sup>3</sup> J. F., The Golden Fleece (1679), pp. 6-8.

Chief Justice Hale, in spite of his more compassionate attitude toward the poor and his immediate concern to lessen the burden of the poor rates, was likewise influenced by the Mercantilist view of the gain to be derived from compulsory employment. He wrote of workhouses that by their means "the wealth of the nation will be increased. manufactures advanced, and everybody put into a capacity of eating his own bread"; they would also make the linen manufacture "native" and so increase the favorable balance. These results were promised by the exploitation of the nation's idle labor power by which, as Hale remarks, England would "improve her populousness to her wealth." 1 The institution as conceived by Hale was not a reformatory, not a house of correction, but a manufacturing establishment serving the double purpose of providing public employment for all laborers unable to find work and of manipulating the trade statement of the nation in such a way as to cause an inflow of precious metal.2 It must be recalled that this author wrote before the overemphasis upon the importance of the money metal had been corrected.

The well-known book of Sir Josiah Child, New Discourse on Trade, famed for its peculiar position upon the interest question, contained a workhouse scheme among its suggested agencies for enriching the nation. The keynote of this book was its emphasis upon industry and thrift, characteristics considered by the author indispensable to the expansion of England's foreign trade, and the workhouse was depended upon chiefly to inculcate these virtues in England's population. For this reason, special stress was placed upon the provision for the children of the poor

<sup>&</sup>lt;sup>1</sup> Sir Matthew Hale, Discourse touching . . . the Poor (1683), p. 34.

<sup>&</sup>lt;sup>2</sup> Ibid., passim.

<sup>&</sup>lt;sup>3</sup> Child's main purpose, lowering the rate of interest, is closely connected with his belief in the virtue of industry. Lowering the rate of interest, would, he thought, force men to work who had been able to live upon the income from their money. See *New Discourse* (1693), p. 29.

who were to be employed in all forms of manufacture, "which whether it runs out to present profit or not, is not so much material; the great business of the nation being, first, to keep the poor from begging and starving and inuring such as are able to labor that they may be hereafter useful members to the kingdom."

A writer of about the same time held forth a much less conservative prospect of "present profit" from the workhouse which he urged upon the legislature as a means to provide for the compulsory employment at subsistence wages of all idle and vagrant poor. Similarly, Davenant conceived of the workhouse as a factory filled with coerced labor, presenting the ordinary opportunities for gain; Davenant was typically Mercantilist in his trend of thought, holding the Mercantilist concept of national wealth and affirming the necessity of maintaining the favorable balance of trade. In his thought, as in that of other writers of similar belief, this position led directly to the conclusion that "the bodies of men are . . . the most valuable treasure of a country," and to a logical conception of the nature and advantages of the workhouses:

If public workhouses were set up in every town and country and if works or manufactures proper for every place were fixed and established in it, the poor would be encouraged and invited to labor especially if the magistrate made use of his coercive power upon such as are vicious and idle.

If all hands in this kingdom that are able were employed in useful labor our manufactures would be so increased that the commonwealth could be thereby greatly enriched and the poor, instead of being a charge, would be a benefit to the kingdom.<sup>5</sup>

The double utility of the workhouse as a means of relieving the country of the burden of pauperism and turning the

<sup>&</sup>lt;sup>1</sup> New Discourse (1693), p. 27.

<sup>&</sup>lt;sup>2</sup> Letter to a Member of Parliament, anon. (1700); he speaks of the "vast riches which would come to us" from the manufacture of linen (p. 6).

Charles Davenant, Ways and Means (3d ed., 1701), p. 28.
 Ibid., Essay (1699) p. 50.
 Ibid., p. 49.

labor of the poor to account in the foreign trade of the nation was pointed out by Charles Povey two years after the appearance of Davenant's book.<sup>1</sup>

Two other writers of this group should be considered. In 1714 John Bellers added to his Essay Toward the Improvement of Physic a suggestion of employment for the poor. He proposed establishing all idle workmen in colonies upon public lands, where, he thought, the labor of half their number would prove sufficient to provide for the maintenance of the entire group. The other half would then apply themselves to manufacture and thus swell the volume of England's exports to the great profit of the nation. Bellers wrote:

Supposing that there were seven millions of people in the nation and that one in fourteen either will not work or that wants it, that is, five hundred thousand men, women and children.

And, reckoning that they might earn, one with another, six pence a day a head, it comes to twelve thousand pounds a day; which is seventy thousand pounds a year, which the nation loseth.<sup>2</sup>

It was for the purpose of saving this yearly loss that Bellers advocated the workhouse, as well as to relieve the misfortunes of the poor. The writer disclosed his orthodox Mercantilist belief in his assumption that the wages paid by an industry artificially created, measured the contribution of the working hands to the wealth of the nation. Lawrence Braddon's workhouse should be considered together with Bellers's because of the great similarity of the two. Indeed Braddon's book appears to be but an attempt to put Bellers's ideas into the form of a public act. This writer made a positive declaration of the duty to labor, 4

<sup>1</sup> Charles Povey, Unhappiness of England (1701), pp. 55-67.

<sup>&</sup>lt;sup>2</sup> John Bellers, Essay (1714), p. 40.

<sup>3</sup> Lawrence Braddon, Abstract of a Bill (1717).

<sup>4 &</sup>quot;Such of the poor who are idle but unwilling to work by proper encouragement should be persuaded or by wholesome severities compelled." *Ibid.*, p. viii. It must be remembered that the term "poor" as used by these writers refers not alone to the pauper but to the entire laboring class.

a doctrine implicit, though generally unexpressed, in the schemes of the earlier writers. He reiterated the necessity of producing a favorable balance of trade and asserted that this desirable event depended upon the ability of English merchants to undersell foreign trade rivals in the world market. This, he thought, could be brought about only by employing the laboring poor to the limits of their capacity and, in pursuance of this aim, he proposed settling the idle in colonies, where by subsisting the group upon the labor of a half their number, a mass of labor would be released for employment upon commodities for exportation. These goods, Braddon thought, would have cost the nation nothing and so could be given to merchants upon guarantee that they would be exported. The gain resulting from the favorable balance thus produced was expected to pay off the national debt, discharge the taxes and remove the poor rates. To complete the scheme, a "school of industry" was provided for each colony to reform the children of the poor and produce in the future a thrifty and industrious population.1 The author even attempted to compute the economic value to the nation of this reclaiming process.2

These writers upon the workhouse have been grouped together chiefly because, uniting, as they did, in the belief that an economic benefit could be derived from providing employment for all laborers, there was a large measure of harmony in their proposals. For the most part, they were true balance of trade theorists and, as such, held the idea that the source of national wealth in the final analysis was the labor of the people; many expressly declared this opinion in the course of their writings, the others implied it. Holding this attitude toward the lower classes, national

<sup>&</sup>lt;sup>1</sup> Lawrence Braddon, Abstract (1717), passim.

<sup>&</sup>lt;sup>2</sup> Braddon thought that "after being soberly and industriously educated" in his workhouse, "every poor child which shall be born with us shall then be made worth more to Great Britain than fifty pounds." *Ibid.*, p. xv.

interest in employment appeared to them sufficiently vital to demand compulsory labor in cases of habitual idleness and to justify a guarantee of work to all who were idle against their will. Their workhouse schemes were of a piece with the other make-work projects of the times, all cohering around a common doctrine. The more positive nature of the workhouse and the more severe treatment of the poor which its advocates at times proposed, may be taken as evidence of the increasing gravity of the problem to be met; as time elapsed the doctrine of the duty to labor gained the ascendency.

## CHAPTER V

### THE ENFORCEMENT OF THE DUTY TO LABOR

THE manifold efforts, which have been considered in the preceding chapters, to furnish employment to the laborer proved incapable of attaining their double object of reducing the poor rates and bringing profit to the nation. Succeeding Parliaments witnessed new attempts to suppress begging, furnish occupation to the willing and put to work the habitually idle. Glancing through the Acts devoted to these purposes, one is struck by the aptness of a comparison made by an eighteenth-century writer: "The laws concerning the poor may not improperly be compared to their apparel; where a flaw is observed a patch is provided for it. Upon that another, and so on until the original coat is lost amidst a variety of patch-work." 1 Certainly it was not because of insufficient trial that the make-work expedient disappointed the hopes of its advocates; but as time passed these hopes grew steadily less optimistic, and more and more the attempts to employ the people looked no further than obtaining relief from the tax of pauperism. It became apparent during the eighteenth century that the laborer had a negative as well as a positive value; that if unemployed, he was not a cipher but a liability reducing the riches of the nation, and hence it became doubly important that he be kept at work. Even after the laboring population had grown to be a great burden upon the charity of the other social classes and a drag upon the industry of the nation, however, the doctrine of the laborer's national importance was not surrendered, but it was amended in such a way as to contain an emphatic statement of the negative value of labor unemployed. To quote the words of William Temple:

<sup>1</sup> Robert Potter, Observations on the Poor Laws (1775), p. 32.

That the riches and strength of a state consist in the number of its inhabitants, and more especially of its laboring people, provided they are properly employed, is a truth never yet controverted. As true is it, that an idle and debauched populace is one of the greatest grievances a commercial state can labor under. Indeed in such an unhappy situation, no state can long continue a commercial state; for if the populace are in general unemployed such state can produce but few manufactures for exportation.<sup>1</sup>

As pauperism became a progressively more onerous burden, it was natural that the negative value of the laborer should have received greater stress than his positive value, and that the cry "employ the people" should have voiced more and more a desire for relief from a present evil and less an expectation of national gain.

But the evil appeared to grow more grave with each effort to remove it. The poor rates may be taken as an index to this condition. During the century, various attempts were made to estimate the amount levied for the relief of the poor, but lacking authentic sources these estimates generally exaggerated the gravity of the burden, though they correctly indicated its tendency to increase. We may, however, accept as a close approximation to the real state of affairs the statement published by Davies near the end of the century, a statement by which it appeared that the poor relief was not only increasing yearly

William Temple, Essay on Trade and Commerce (1770), p. 1. This book has been assigned to different authors. It appeared anonymously, but the present writer follows Cunningham and attributes it to William Temple. See Modern Times (1892), p. 560. This Temple should not be confused with Sir William Temple who wrote a century earlier. This sentiment of Temple's is very like that of Fielding who wrote in 1751: "That the strength and riches of a society consist in the numbers of people is an assertion which hath obtained the force of a maxim in politics. This, however, supposes the society to be so constituted that those numbers may contribute to the good of the whole; for, . . . could we figure to ourselves a state in which the great part of the people . . . should be as a heavy and useless burden on the rest of their countrymen, the very reverse of the above axiom would be true." See Enquiry, p. 1.

but increasing at a progressive rate.¹ Moreover official relief of the poor was but a portion of the burden, for private charity was taxed to remove distresses for which public provision was inadequate. In spite of cruelly severe laws, begging increased until the streets of the cities were thronged with mendicants. In 1760, a calculation placed the number of beggars in the City of London alone, "where they are few or no parishes without a workhouse," at 20,000; ² and, according to one writer, this number increased during the next twenty years.³ The pamphleteers who dealt with the poor laws almost invariably started their discussions with a reiteration of the increasing complexity of the problem and the inadequacy of the existing efforts to check it.

In our review of the moral life conditions of the laborer, we have indicated some of the causes of his degeneracy, but to account in this way for the demoralization of the eighteenth century laborer by no means disproves the truthfulness of the charges made against him in the literature of the time. One can scarcely read the vivid and scathing indictments of the lax morals of the lower orders

<sup>1</sup> This table is found in Daniel Davies, Case of the Labor (1795), p. 44:

Table Showing the Amount of the Poor Rates

Year		Amount of poor rate	Interval in years	Increase	Annual increase
1572	Supposed amount	200,000			
1685	Taken from Davenant	665,362	113	465,360	4.118
1753 1776	Taken from Fielding	1,000,000	68	334,638	4,921
1785	Parliament	1,529,780	23	529,780	23,034
	Parliament	1,004,238	9	474,458	52,719

<sup>&</sup>lt;sup>2</sup> Powell, View of Real Grievances (1772), p. 68, note.

<sup>&</sup>lt;sup>3</sup> Parochial Evils, anon. (1788): "Was there ever a period when the streets of this capital so much abounded with vagabonds and beggars as at present; when its . . . suburbs were so shamefully deformed by idleness, poverty and filth; when the gaols were so noxiously crowded with felons of every description?" p. 42.

<sup>&</sup>lt;sup>4</sup> Appendix II.

by the social observers of the period without concluding that the faults complained of were steadily growing more prominent. Our study of the conditions under which the laboring classes lived, the heritage they received from the past, and the prospects of their future, may enable us to lay the blame for their moral weaknesses not upon themselves but upon the social organization of which they were the product; but their contemporaries lacked our perspective and, seeing only his faults, were induced to reproach the laborer severely. The problem of unemployment as viewed by these nationalistic writers of the eighteenth century contained a moral element almost entirely lacking in problems of a similar nature in a régime of laissez-faire. When duty supplants utility as the governor of man's economic energy, idleness becomes not only wasteful but immoral; the nation will attempt to enforce by moral or legal sanction the performance of the labor which nationalism views as an obligation of the laborer regardless of the inclinations of the individual himself. So in the eighteenth century in England, under the influence of a dominant nationalism, the writers dealt with the problem of increasing idleness and unemployment in the light of the moral obligations of the lower classes, censuring bitterly the vice and indolence of the laboring population. As a result it became the doctrine of the day that the one thing necessary was to enforce the industry of the people; that enough had been done in the way of finding them employment and that what was lacking was the discipline of stern necessity compelling the people to labor. This note, which was to run through the writings of the hundred vears which followed, was sounded by Daniel Defoe at the opening of the eighteenth century:

The poverty and exigence of the poor of England is plainly derived from one of these two particular causes, casualties or crime. [Casualties] . . . as infirmities merely providential, are not at all concerned in this debate, ever were, will, and ought to be

the charge and care of the respective parishes where such un-

happy people chance to live.

The crimes of our people and from whence their poverty derives as the visible and direct fountains, are: 1, luxury; 2, sloth; 3, pride.

## And in another place:

There is a general taint of slothfulness upon our poor; there's nothing more frequent than for an Englishman to work until he has got his pocket full of money, and then to go and be idle, or

perhaps drunk, till 't is all gone.

I make no difficulty to promise on short summons to produce above a thousand families in England, within my particular knowledge, who go in rags and their children wanting bread, whose families earn their 15 and 25s. per week but will not work... and hardly vouchsafe to earn anything more than a bare subsistence.<sup>2</sup>

The drunkenness and debauchery of the poor were frequently singled out as the causes, in whole or part, of their miseries. Thus a writer to the *Gentleman's Magazine* in 1731 spoke of the poor as "rogues too lazy to work, squandering one's charity in drink." <sup>3</sup> And the anonymous author of *Causes of the Increase of . . . the Poor*, which appeared in 1738, laid the same charge against the mass of the lower orders. <sup>4</sup> Henry Fielding has also given us scathing denunciation of their demoralization in these words:

The drunkenness I here intend is that acquired by...the poison called gin, which I have reason to think is the principal subsistence... of more than a hundred thousand people in this Metropolis. Many of these wretches there are who swallow pints of this poison within the twenty-four hours, the dreadful effects of which I have the misfortune every day to see and smell, too; but... the great revenue arising from the tax on this liquor (the consumption of which is almost wholly confined to the lowest order of the people) will prove the quantity consumed better than any other evidence.<sup>5</sup>

<sup>&</sup>lt;sup>1</sup> Daniel Defoe, Giving Alms No Charity (1704), 11, p. 446.

<sup>&</sup>lt;sup>2</sup> Ibid., II, p. 448. <sup>3</sup> Gentleman's Magazine, I, 114.

<sup>Causes of the Increase of . . . the Poor, pp. 50 ff.
Henry Fielding, Enquiry (1751), p. 18.</sup> 

This tone of severity is not a unique, but rather a representative, indication of a social attitude; numerous statements of similar tone might be quoted. But the words of Tucker, who proved in other respects by no means lacking in compassion, are typical of the whole:

Whether the manufacturing poor in any country are so debauched and immoral as in England? Is there not therefore greater danger that the English should corrupt the foreigners than be corrupted by them? <sup>2</sup>

#### And in another book:

With regard to the morals of the poor, times were never worse. For the lower classes of the people are at this day so far degenerated from what they were in former times as to become . . . a proverb of reproach. Such brutality and insolence, such debauchery and extravagance, such idleness . . . do not reign so triumphantly among the poor in any other country.<sup>3</sup>

While the Dutch fetish exercised its influence over English writers, it was a commonplace observation that the native laborer lacked the moral qualities which had made that nation great, and many unflattering comparisons were drawn between the indolence of the English and the thrift of the Dutch workmen. Thus Richard Haines wrote that if England were "upon equal terms with the Dutch with respect to industry" she would "excel all nations in the world" in the pursuit of national wealth, and to give stronger emphasis to his words he asserted that English habits, if adopted by Holland, would in twenty years make them "the poorest, miserable, and most despicable people in all the world." <sup>4</sup>

<sup>&</sup>lt;sup>1</sup> For criticism of the morals of the poor, see (among others): Charles Davenant, Essay on Ways and Means (3d ed. 1701), pp. 137-38; A. Gray, Debates (1670), I, 215 ff.; Cobbett, Parliamentary History (1806-20), IX, 1032, 3; 1037; XII, 1193 ff.; Powell, View of Real Grievances (1772), p. 36 f.; Gentleman's Magazine, XXI, 320 gives an estimate of the amount of distilled liquor consumed down to 1742; see also Lecky, England in the Eighteenth Century, 1878-90, IV.

Josiah Tucker, Important Queries (1751), p. 40.
 Josiah Tucker, Six Sermons (1772), pp. 70-74.

<sup>4</sup> Richard Haines, England's Weal (1681), p. 8.

It was Sir William Temple who, more than any other man, was responsible for the admiration of the Dutch openly displayed by English writers during the first half century of our period. His book, Observations upon the United Colonies, written, as he states, with, perhaps, misleading emphasis, for mere amusement, during a period of idleness, was founded upon impressions obtained during his residence as Ambassador to Holland, and the authority of his name, coupled with the pleasing style in which he wrote and the real acuteness of his remarks, was sufficient to give the book a popularity which exhausted several editions. That its influence upon the thought of his contemporaries was profound may be gathered from the multitude of references to it to be found in the literature of the succeeding century. Temple believed that the great cause of the prosperity of the Dutch nation was the industry of her people, the traits of energy and thrift displayed by them in such large measure. These characteristics, however, the author attributed not to the moral superiority of the Dutch people so much as to the peculiarities of their physical environment. With this conclusion, Sir William Petty stated his agreement in the course of his remarks upon the Dutch, adding that in his opinion the Hollanders had received altogether too much praise for achievements which "could not almost have been otherwise," 2 Such

<sup>1 &</sup>quot;I conceive the true original and ground of trade to be great multitudes of people crowded into small compass of land, whereby all things necessary to life are rendered dear, and all men who have possessions are induced to parsimony; but those who have none are forced to industry and labor. Bodies that are vigorous fall to labor; such as are not supply that defect by some sort of invention and ingenuity. These customs arise first from necessity and grow in time to be habitual in a country." Observations (1673), p. 187.

<sup>&</sup>lt;sup>2</sup> "The Hollanders were one hundred years since, a poor and oppressed people living in a country naturally cold, moist and unpleasant; and were withal persecuted for the heterodoxy or religion.

<sup>&</sup>quot;From whence it naturally follows that this people must labor hard and set all hands to work; rich and poor, old and young must study hard the art of number, weight and measure; must fare hard, provide for impo-

patriotic attempts to belittle the attainments of an enemy people had, however, the effect of impressing upon the minds of English readers the excellence of the Dutch character. For the attempted explanation of the origin of these desirable traits was forgotten, and it soon became almost a habit with writers who treated of labor conditions in England to hold up the example of these neighbors to the emulation of their countrymen. The English laborer was again and again rebuked for his failure to meet the test of comparison with the Dutch workmen. Defoe wrote:

"T is generally said, the English get estates and the Dutch save them; and this observation I have made between foreigners and Englishmen, that where an Englishman earns 20s. per week and but just lives, as they call it, a Dutchman grows rich and leaves his children in a very good condition.<sup>1</sup>

Such comparisons as this reinforced in the minds of social observers the opinion that the English laborer was demoralized by traits of indolence and debauchery. Comments on the moral inferiority of the native workman seem to grow more bitter as the years passed,<sup>2</sup> a tendency not unnatural in view of the fact that the condition com-

tents and orphans out of hope to make a profit by their labors. . . . I say all these particulars, said to be the subtle excogitations of the Hollanders seem to me but what could not almost have been otherwise." *Political Arithmetic* (4th ed., 1755), p. 115.

<sup>1</sup> Daniel Defoe, Giving Alms No Charity (1704), 11, p. 447.

<sup>2</sup> A good example of the tone of reproach adopted by later writers who compare the conduct of the British and Dutch workmen, is found in William Temple's Essay on Trade and Commerce, published in 1770: "What a wretched contrast do the dissolute manners of our industrial populace make to the industrious poor of Holland! Instead of that sobriety and industry which is habitual with them; instead of cheerfully laboring six days a week, and thereby supporting themselves and their families decently as the Dutch do; if our manufacturing people cannot earn enough in three or four days to be idle and debauched the remainder of the week, they frequently enter into combinations, destroy the works of those who are disposed to be industrious, turning regularity and order into riot and confusions. . . Our manufacturing poor, instead of being the strength and riches of the state, hath become a burden to it" (pp. 49-50).

plained of was becoming steadily more grave under the influence of the poor law. And to the mind of the eighteenth-century writer there was greater significance in these comparisons than would be apparent to the modern reader: for the Dutch were looked upon not only as foreign neighbors but as trade rivals, striving with utmost craft and persistence to deprive England of that foreign trade upon which her prosperity was erected. The industry of the Dutch laborer was the one dread weapon which the English merchant feared in this competition, for it was with this weapon, as Temple pointed out,1 that Holland was undermining British control over foreign markets through her ability to sell at lower prices. To meet this competition on equal terms, it appeared necessary that England should be unhampered by higher wages cost, that is, that the English laborer should rival the Dutch in the amount of work done per unit of labor time. For this reason a lively interest was taken in comparisons of the relative thrift of the two groups of people, and again the destiny of the nation was made to depend upon the laborer — upon moral qualities of the laborer, which, sadly, were only too apparently lacking. The failure of the lower classes to meet this test appeared to public-spirited men of the time as nothing short of a betrayal of their duty to the nation.

An eye fixed upon the laborer's faults, of which improvidence and indolence were the most prominent; a mind convinced that, unless corrected, these faults would prove the ruin of the nation; a bearing filled with bitter reproach for persistence in evil ways; these characterize the attitude of eighteenth-century writers toward the laboring class. Such was not the frame of mind of the

<sup>&</sup>lt;sup>1</sup> William Temple, Essay, 1770, p. 49: "In Holland the people in general labor six days in a week by which means they have no time for riot, debauchery, and expense; and of course they are happy and useful members of society. . . . Idleness . . . is banished the state and honesty, industry, and sobriety take her place." For similar reasons, he says, "the French are able to undersell us in foreign markets."

earlier writers of the period, for the moral character of the laborer had not then become so thoroughly contaminated by the poison of the poor law and the hardship of his economic lot. Hence the earlier writers, seeing in the labor of the people the source of national wealth, were concerned with improving opportunities for employment; later writers, while holding the same opinion as to the importance of the laborer were greatly impressed with the evidence of his "crimes of luxury and sloth" and were, furthermore, convinced that these crimes were the outworking of flaws in the characters of the people, moral flaws to be corrected by rigid discipline. The key-note of the earlier proposals had been "employ the poor"; it now became "discipline the people." <sup>1</sup>

We may illustrate this change of attitude toward the laboring classes from the writings of one of the most extreme of eighteenth-century reformers — William Temple. In numerous passages this author called attention to the distinctly national aspect of the question of industry, asserting his belief that the energy of the lower orders was the fountain of national well-being <sup>2</sup> and his conclusion that the wealth of the nation depended upon the "number of its industrious poor." <sup>3</sup> But the laboring classes of England appeared to him debauched and immoral. Some rigid discipline was necessary to "enforce labor and industry" which would have "the same effect as increasing the

<sup>&</sup>lt;sup>1</sup> These proposals, of course, overlap in time. Severity was shown in some of the earliest projects for employing the people and compassion in some of the latest. But the general attitude grew progressively more bitter, until by the middle of the eighteenth century there were few voices raised in pity but many in blame.

<sup>&</sup>lt;sup>2</sup> "I look upon the industrious poor to be the most useful part of the community...." William Temple, Essay (1770), p. 38.

<sup>&</sup>quot;The sobriety, frugality and industry of our manufacturing people, appear to me to be of such vast consequence that the wellbeing, if not the very being of the state . . . depends upon some scheme being framed to promote, encourage and make it habitual." *Ibid.*, p. 58.

<sup>&</sup>lt;sup>3</sup> Ibid., p. 38.

number of hands" and so transmute "what otherwise would be a burden into the strength and riches of the state" through the agency of the resulting "tributary balance" of trade. The negative value of labor unemployed was prominent in the mind of this writer; Temple wrote at a time when the poor rates were computed at two and a half millions of pounds annually and were continually on the increase; when the minds of men were filled with fresh memories of the destructive riots which the past four years had seen; 2 when, in fact, there seemed to be lacking no evidence of the despair-engendered viciousness of the lower classes necessary to convince the short-sighted observers of the day of their innate depravity.

Temple proceeded to find the cause of this immorality in

the existing laws for poor relief:

Our poor laws are at present a snare to the poor, and leave them loose to idleness, debauchery and insolence; because they depend on these laws for support in necessity; and knowing that a justice of the peace will relieve them, they despise parish officers, insult the inhabitants, and do not feel themselves obliged to their benefactors for what they receive. It is upon the poor laws that the poor rely and not upon their own behavior and conduct; and this tends to destroy all subordination as well as gratitude and mutual esteem.<sup>3</sup>

But the writer's belief that the poor laws were responsible for the condition he decried, did not cause him to absolve the laborer from all blame for his "idleness, debauchery, and insolence." The reaction of the laborers toward these well-intentioned efforts to ease their life conditions, was

<sup>1 &</sup>quot;Could we by some means root out their habitual idleness and plant in its room the seeds of habitual industry, frugality and constant labor, we should have no rivals in trade; the whole world would find it their interest to deal with us and a tributary balance... would be paid us from almost all the nations of the world." *Ibid.*, p. 63. See also Temple's Considerations on Taxes (1765), pp. 29-31.

<sup>&</sup>lt;sup>2</sup> For a brief record of these disturbances, see Gentleman's Magazine, vols. xxxvi, xxxvii, xxxviii, xxxix.

<sup>&</sup>lt;sup>3</sup> William Temple, Essay (1770), p. 258.

rather construed as evidence of a deep-lying moral taint in the character of the people, a proneness to evil which became pronounced in the presence of conditions in the least degree favorable to an indulgence of their congenital habits of indolence and debauchery. Temple concluded that life had been made too easy for the laborer, that he had fallen into the evil ways so congenial to his temperament, and that necessity alone could enforce labor — the labor which the poor man owed to his nation; necessity, visualized in hard times, low wages, high prices, toil-inducing want. This is the one strong note which sounds through the writings of the eighteenth-century social reformers, the demand for rigorous life conditions to discipline the laborer and purge his character of the evil habits of "luxury" and "sloth," a demand which takes a variety of forms during the period, advocating different expedients, all calculated to render the hard lot of the laboring classes still harder. These expedients, however much they present to the modern reader an aspect of unfeeling brutality, should not be taken as evidences of capricious cruelty - for they were all conceived to be for the country's good and intended to force from the laborer the performance of a duty which was considered vital to the nation.

William Temple constructed his remedial measures upon logical grounds. He proposed a workhouse to perform the double service of administering punishment for idleness and providing training in habits of thrift and industry. To this institution, which was to be conveniently ubiquitous to all parts of the kingdom, every man was to be haled upon the first appearance of a disposition to shirk labor, there to be kept at work for twelve hours a day, with two hours additional if he had added to his offense the crime of begging. Each inmate was to be paid but one-half his wages, and put upon his own invention to make this allowance cover the purchase of his necessaries, a device for promoting thrift for which the author expressed consider-

able pride, saying that it was his very own invention. The remaining part of the earnings, going to the workhouse, would, so the author thought, discharge a large part of the expense. Much was expected from the proper care and attention to be given to the children of the poor. The whole scheme was most apparently an expression of the sentiment, "discipline the people."

In tracing through the literature of the century the attitude which has been illustrated above, we may very properly begin with a resumption of the account of the workhouse with which the preceding chapter closed. This institution was originally proposed, as we have seen, upon strict Mercantilist principles as an establishment of manufacture, turning the labor of the people to account in enriching the nation after the familiar balance-of-trade method. It acquired as an appendage the "school of industry" intended primarily for the benefit of the children. Like a private industry, it was expected to return a profit, a large profit when first proposed, but this expectation dwindled to more and more insignificant proportions as experience showed that no profit would be forthcoming. The first workhouse was established in London and Westminster by Act of Parliament in 1673,2 but was not put into full working order until 1698 because of "the calamities of the plague, and the burning of the City of London."3 A similar institution was founded in Bristol in 1696 4 and in many other parishes by a succession of private acts. 5 In 1723 these acts were extended by a general enabling act.6

In 1725, a study was made of the workings of the system and an account published of the results obtained up to that time. In this account it was made plain that experience

<sup>2</sup> 13 & 14 Charles II, cap. 12.

<sup>&</sup>lt;sup>1</sup> William Temple, Essay (1770). See pages 151-269 for details.

<sup>&</sup>lt;sup>3</sup> An Account of Several Workhouses (1725), p. 1.

<sup>4 7 &</sup>amp; 8 Wm. III, cap. 30.

<sup>&</sup>lt;sup>5</sup> See Statutes of the Realm, vi, 449-50.

<sup>&</sup>lt;sup>6</sup> Geo. I, cap. 1.

had disabused the minds of workhouse advocates of their high hopes, for in none of the houses mentioned did the earnings of the inmates prove adequate to support their expenses. The workhouse in London had long since lost its original character as a manufacturing establishment and had become a combination house of correction for vagrants and school of industry for children, the latter being its chief function. Indeed of the forty-five houses accounted for in this study, seventeen limited their attention to children and the remaining made the training of children their principal business. In none had any profit been derived from the labor of the inmates; all that was now expected was a reduction of the actual burden of poor relief. Thus in Limehouse Hamlet, Stepney, in the workhouse built in 1700 there were thirty people whose total earnings amounted to "four or five shilling per week" and by "this means a poor person was maintained at the rate of 2s. 10d, or 3s, per week." In Bedford twenty-one inmates earned enough to reduce the rates by one third; in Hatfield, Herts, the thirty inmates employed in spinning and knitting earned half their expenses. In St. Albans of the same county. thirty-four persons similarly employed had in the course of five years reduced the rates about a half. Such was the general experience; as an industry operating in the expectation of profit, the workhouse had proved a failure and such it continued to be during the century. In 1752, Thomas Alcock wrote in the words of Bacon: "Hospitals abound and beggars abound never a whit less." 2

This failure together with the growing conviction of social reformers that the depravity of the people was its cause, led to a change of character and purpose in the workhouse early in the eighteenth century. It became a part of the general scheme to discipline the poor, and to this end was advocated in the character of a school of industry in

<sup>&</sup>lt;sup>1</sup> An Account of Several Workhouses (1725), pp. 13-68.

<sup>&</sup>lt;sup>2</sup> Thomas Alcock, Observations (1752), p. 5.

which the idle, by rigorous treatment, might acquire a habit of labor and thrift. In this character its intended sphere of activity was predominately with the children of the laboring poor, though it was hoped that correction could be applied to the habits of all - even adults who were indolent of habit. A scheme proposed through the London Journal and the Gentleman's Magazine in 1731, was concerned chiefly with the latter class, "sturdy beggars" and indolent laborers, who were to be taught "labor, not learning." 1 In 1751, two very similar proposals appeared in the Gentleman's Magazine; by the terms of the former, all the idle were to be gathered into the workhouse and taught to labor; the latter dealt with children from one to twenty years of age, who were to be given a course of training in industry which was expected to free the country in the future from beggars and to multiply to national advantage the labor of the country.2 In the same year, William Hay republished his book, Remarks on the Laws Relating to the Poor, which had first appeared in 1735. Between these two dates, the writer, a member of Parliament. had made several attempts to have the Poor Law amended. at one time proposing a return to the system of voluntary charity. His workhouse project was free from that severity which characterized the schemes of other writers, and was advanced rather for the purpose of rendering effective the laborer's right to employment than of punishing him for his faults.3 But his interest in the problem was patriotic, not philanthropic; he wrote that no greater advantages would be conferred on the people by creating employment than would "accrue to the public"; that the source of "the wealth of the nation . . . is from the numbers of its people; and the more populous a country is, the richer it

<sup>2</sup> Gentleman's Magazine, XXI, 367; 559.

¹ Gentleman's Magazine, 11, 59.

<sup>&</sup>lt;sup>3</sup> William Hay, *Remarks*; see page 41 where a law is proposed furnishing employment to all who apply, the laborers being at liberty to come and go as they pleased.

is or, at least, may be." <sup>1</sup> Following out this line of thought, Hay attempted to prove from a chosen illustration how the nation would gain from employment:

I suppose 100,000 unemployed capable of labor.... The labor of these people if employed would... amount to 1,300,000 pounds which would be so much addition to the common stock.... But in the present posture of affairs, these people, who might be so beneficial, are a loss and the nation were better without them; for while their hands are idle, their bellies must be supplied... and as their number increases, the evil will be more sensibly felt and prey still deeper into the wealth... of the nation.<sup>2</sup>

This gain drawn, not from the profits of the workhouse, but from the reclaiming effects of enforced labor upon the habits of the people, was one of the advantages of the workhouse as conceived by Hay.

These three proposals, advanced in the same year, indicate the interest taken in the workhouse by public-spirited men at the middle of the century, an interest which continued unchecked during the remainder of the period and, indeed, well on into the nineteenth century. In 1752, Thomas Alcock appended a workhouse scheme to his book. Observations on the Defects of the Poor Law; in 1758, William Bailey <sup>3</sup> and Joseph Massie <sup>4</sup> suggested a similar expedient for employing the poor and reforming their character; in 1763, an anonymous pamphlet appeared attacking the existing system and urging a more severe policy; 5 in the following year, Thomas Gilbert published his Scheme for the Better Relief and Employment; in 1767 another anonymous proposal for the workhouse was published under the title, Inquiry into the Management of the Poor; in 1770, the institution was again advocated by William Temple, in a book from which we have already quoted extensively; 6 in 1775, Robert Potter supported the school of industry

<sup>&</sup>lt;sup>1</sup> William Hay, Remarks, pp. 18-19. <sup>2</sup> Ibid. (1751), pp. 24-25.

<sup>8</sup> A Treatise on the Poor. 4 A Plan for Charity Houses.

<sup>Considerations on the Fatal Effects...of...Excess of...Charity.
William Temple. Essay (1770).</sup> 

idea.¹ The most energetic advocate of the district work-house during these years was Thomas Gilbert; in 1775, he published Observations upon . . . the Poor, Vagrants and Houses of Correction, to pave the way for his Bill . . . for Relief and Employment, which was made public later in the same year; he continued his labor through the remaining years of the century, striving to bring about a better appliance of remedial measures through a closer union of parishes.

There was a considerable uniformity in all these proposals: they were founded upon a belief in the national importance of the laborer and a conviction that a schooling of industry would overcome the indolence and thriftlessness of the laboring poor. They either expressed or implied that the duty of the propertyless man was to labor, and they all showed that the increasing gravity of the problem of pauperism was turning the minds of their authors toward possible expedients for enforcing this duty upon the laboring population. Many of them were opportunistic in their spirit and motive, intending nothing more than a solution of an immediately pressing problem and giving evidence of no great theoretical principles. But they had one characteristic in common, namely, their essentially disciplinary purpose, and they all selected the children of the poor for special attention, looking for the beneficial results of their efforts to a future made prosperous by a laboring population redeemed by a schooling of rigorous treatment.

Thomas Alcock was writing particularly with a view toward lightening the poor rates but he stressed the necessity of forcing all the idle to work, whether they were actually chargeable to their parishes or not:

The officers of every parish should have a power to take up any idle, disorderly, drunken, profane, abusive persons... especially such persons as should neglect to provide for their

<sup>&</sup>lt;sup>1</sup> Robert Potter, Observations on the Poor Laws (1775).

families, refuse to labor, and had no honest way of getting a livelihood, and send them to the workhouse and there keep them to hard labor a longer or shorter time, according to the degree of their offense, and the appearance of reformation.<sup>1</sup>

The institution this writer planned was of the character of a reformatory designed to influence not only those committed to its care but, by a terror of its menace, to touch the entire laboring population. He wrote:

It would increase labor, care and industry for they must certainly be more careful and work harder.... Thus care and industry would be increased among the poor out of the hospital, and great advantages would accrue to the public.<sup>2</sup>

The unknown author of An Inquiry into the Management of the Poor stated the various aspects of the workhouse in strong language. At the outset of his discussion, he placed the blame for the existing burden of pauperism upon a mistaken soft-heartedness which had failed to subject the children to hard labor; the practice of affording education in reading and writing, he thought, was pernicious in that it made severe labor irksome, whereas it was labor and not learning which the status of the propertyless demanded: frivolous amusements, such as those afforded by "strolling players," and unnecessary luxuries, such as tea, should have been withheld, for they had enticed the laborer from the performance of his office; 3 above all, said the writer, "whenever the legislature or private persons employ their care about the children of the poor, the principal part of their plan should be to inure them to the lowest and most early labor." 4 Equal severity of expression was not always present in the proposals to discipline the people, but the meaning was essentially the same. Robert Potter, though he believed that "much learning is not necessary," provided for the instruction of the children in his work-

<sup>&</sup>lt;sup>1</sup> Thomas Alcock, Observations (1752), p. 67.

<sup>3</sup> See Management of the Poor (1767), passim.

<sup>4</sup> Management of the Poor (1767), p. 16.

<sup>&</sup>lt;sup>2</sup> Ibid., p. 63.

house, in the art of reading. But the chief function of the masters was to teach the "females... to knit and sew" and the boys to labor in the fields, so that, "inured to industry, trained to obedience, and brought up in the faith and fear of God, all possible security... for their fidelity and good behavior" in later life might be given.

Whether stated in a tone of bitterness or giving evidence of a more compassionate attitude toward the lower orders, these projects all represented similar points of view in their authors. They treated of the laboring class as a group, to be handled in the mass by the state. The individual laborer was lost sight of, the wealth of detail in which the proposals were stated contemplating a destruction of all attributes of self-reliance and resourcefulness, and the reduction of all individuals to a common dead level through the process of stereotyping and rendering fixed and rigid his life conditions. In all this it is apparent that the rapidly spreading individualistic concept of society did not extend to the laboring class.

Very significant of the point of view of these writers are the projects which they advanced for shaping and moulding the characters and destinies of the children of the laboring classes. Many of these projects strike the modern reader as almost fantastic distortions of justice, but it is necessary that we bear in mind, in attempting to gain an insight into the attitude of their authors, that the proposals were advanced for the good of the nation, and not for the immediate benefit of the children who were to supply the material for experimentation. William Temple, always an extremist in his point of view, devised one of these:

When these children are four years old, they shall be sent to the country workhouse and there taught to read two hours a day and be kept fully employed the rest of their time in any of the manufactures of the house which best suits their age, strength

<sup>&</sup>lt;sup>1</sup> Robert Potter, Observations (1775), p. 67.

and capacity. If it be objected that at these early years, they cannot be made useful, I reply that at four years of age there are sturdy employments in which children can earn their living; but besides, there is considerable use in their being, somehow or other, constantly employed at least twelve hours in a day, whether they earn their living or not; for by these means, we hope that the rising generation will be so habituated to constant employment that it would at length prove agreeable and entertaining to them.

Surprise was expressed by one writer that schemes such as this of Temple's, intended for the laudable purpose of keeping the children employed "at least twelve hours a day," did not appear "agreeable and entertaining" to the parents of the children:

Parents in general from whom to take for time the idle, mischievous, least useful and most burdensome part of their family to bring them up without any care or expense to themselves in habits of industry and decency is a very great relief; are very much adverse to sending their children to the houses of industry; from what cause, it is difficult to tell.<sup>2</sup>

William Bailey, as an introduction to his scheme, stated the benefit which all advocates of the workhouse expected from that institution:

Employing the poor in parish workhouses will very much promote the commerce, wealth and peace of this kingdom. These houses will also become proper schools to train up the children of the poor to religion, sobriety and industry.... They will likewise be nurseries for spinners, weavers, and other artificers... and give occasion to the exercise of many other trades and useful employments.<sup>3</sup>

Apparently seven decades of disappointing experience had not freed the mind of this writer from the illusion that

<sup>&</sup>lt;sup>1</sup> William Temple, Essay (1770), pp. 266 f. Another writer, Powell, indicated how this improvement in the rising generation would redound to national advantage: "We shall increase the quantity of labor and reduce the price of it." See View of Real Grievances (1772), p. 96.

<sup>&</sup>lt;sup>2</sup> Richard Wakefield, Letter to the Landowners (1802), p. 43.

<sup>&</sup>lt;sup>8</sup> William Bailey, A Treatise (1758), p. 1.

direct economic benefits would flow from the employment of the people at artificial occupations in houses of industry. He affirmed that it had been the want of proper direction, rather than a fault of principle, that had caused all efforts at creating employment to fail of their purpose, and proposed again that the labor of the poor should be so directed as to compete with no established manufacture:

Linen cloth would be obtained from the labor of our own poor and employment and subsistence furnished for a multitude of men, women and children.... Whereas at present immense sums are sent abroad to feed, clothe, and enrich the poor, the landlords, the manufacturers and the merchants of foreign countries.

This is Mercantilism of a purity rarely expressed so late in the century, and it takes us back to the reasoning by which the national importance of the laborer was originally established. The benefit to be derived from employing the poor in the manufacture of linen appeared to be double; it would remove the negative value of the pauper by making him independent, and would produce a positive value for the nation represented by the "immense sums" retained within the country. Joseph Massie presented a very similar argument in favor of this form of manufacture; 2 but. though minds obsessed with a belief in the economic value of artificially created employments with difficulty surrendered the hope of immediate gain from the workhouse, the character of that institution had definitely changed. It was as a reformatory for the evil habits of the people and a nursery for future thrift and energy which would advance England to a place of dominance in all the markets of the world, that it was expected to produce the greatest benefits.

<sup>&</sup>lt;sup>1</sup> William Bailey, A Treatise (1758), p. 45.

<sup>&</sup>lt;sup>2</sup> "The sorts of employment for the poor are linen and woolen cloth." A Plan for Charity Houses (1758), p. 115. In the pages which follow an argument is advanced to establish the national utility of creating employment on these lines.

### CHAPTER VI

## THE DOCTRINE OF THE UTILITY OF POVERTY

THE attitude of aggressive severity taken by the proponents of the workhouse is typical also of another group of writers in the eighteenth century who, like them, were concerned with the task of enforcing upon the workman his duty to labor. The workhouse was, after all, concerned chiefly with the pauper; although it was believed that a disciplinary effect would be felt throughout those masses of the population which were constantly threatened with a loss of economic independence, and that this effect would be diffused through all the laboring classes in a succeeding generation, the most available material was that large element of the people whose dependence upon charity had surrendered them bodily into the hands of the civil power. But the most striking evidence of the spread of the doctrine of the duty to labor is to be found in the projects devised and proposed by the social writers for moulding the life conditions of the independent laborer to the end that he, too, might be compelled to work harder and more continuously. In the present chapter we shall consider some of the more extreme of these proposals; they imply a belief, novel in this age of liberalism, in the utility of poverty.

The frequently asserted opinion that low wages and high prices were beneficial to the nation, an opinion which in its most candid form insisted that national interest demanded that the bulk of the population be kept in a condition of poverty, was a striking example of this belief. Statements of this tenor run through the literature of the entire period. Thus in 1664 we find Thomas Mun asserting that "penury and want do make a people wise and in-

dustrious," pointing to the example of Holland. The doctrine was applied directly to the laboring classes by Mandeville who, in 1714, declared that "it is requisite that great numbers of them be poor" in order that society might be happy. It was stated dogmatically by Arthur Young, who said:

Every one but an idiot knows that the lower classes must be kept poor or they will never be industrious; I do not mean, that the poor of *England* are to be kept like the poor of *France*, but, the state of the country considered, they must (like all mankind) be in poverty or they will not work.<sup>3</sup>

# And a later writer repeated the doctrine:

The lowest orders should endure a state bordering on want in order that a necessity may exist for their labor.<sup>4</sup>

This conviction regarding the utility of low wages and high prices was established upon a process of reasoning which sought to prove that hard times increased the industry of the laborer. It was a frequent observation among nationalistic writers of the eighteenth century that high wages, far from stimulating the laborer to greater efforts, resulted usually in a reduction of the number of working days. Indeed, so many and positive are the statements of this effect of high wages that we are compelled to admit their truth and to conclude that the labor supply of England at this time did not increase but decreased as wages rose. A reiteration of this observation runs through the many books published by Arthur Young to contain his records of the economic conditions of England in his day, records obtained through extensive investigations at first

<sup>1 &</sup>quot;Plenty and power do make a nation vicious and improvident, so penury and want do make a people wise and industrious; concerning the last of these I might instance divers commonwealths of Christendom . . . amongst whom the Low Countries are now of greatest note and fame." Thomas Mun, English Treasure (1664), p. 182.

<sup>&</sup>lt;sup>2</sup> Bernard Mandeville, Fable of the Bees (1714), p. 328.

Arthur Young, Eastern Tour (1771), IV, p. 361.
John Weyland, Observations (1807), p. 62.

hand during his long and energetic life. Of the manufacturing laborers in Norwich he said, "These men and their families who earn but 6s. are much happier and better off than those who earn 2s. or 3s. extraordinary," adding that similar beneficial effects resulted from high prices of provisions. The colliers of Swinton, Yorkshire, reduced their labor hours when wages were high. In Manchester, the same thing was true of all manufacturing laborers, and, in general, throughout the kingdom, workmen of this class performed less work when times were comfortable.

The behavior of the laborers in husbandry was not different from that of the industrial population, according to Arthur Young. Referring to the effect of town competition in raising wages among this class of laborers, he wrote that "these high wages [are]... of no service to the poor families" because "the men who earn 3s or 4s a day scarce ever work above three days a week but drink out the rest." The demoralizing effect of such prosperity upon the laborers in husbandry had made them "so saucy" as to insist upon being "bribed to thresh." From his many observations of the phenomenon of a decreasing labor supply in the face of high wages, Arthur Young was induced to formulate the doctrine of the utility of hard times into a general law. We may conclude, then, that he was

<sup>&</sup>lt;sup>1</sup> Arthur Young, Eastern Tour (1771), 11, p. 75.

<sup>&</sup>lt;sup>2</sup> "No bribes can tempt them to any industry after the performance of their stated work, which leaves them half a day for idleness or rioting in the alehouse." *Northern Tour* (1770), III, p. 268.

<sup>&</sup>lt;sup>3</sup> "In general all these branches find that their best friend is high prices of provisions. The manufacturers themselves . . . are . . . much better clothed, better fed and in easier circumstances than when prices are low." *Ibid.*, III, p. 248.

<sup>4 &</sup>quot;It is a fact well known in all manufacturing towns in this kingdom that the laboring poor will not work more days in the week than are sufficient to maintain themselves; the remainder is spent in idleness." Expediency of a Free Exportation of Corn, 1770, pp. 29-30.

<sup>&</sup>lt;sup>5</sup> Arthur Young, Northern Tour (1770), 1, p. 192.

<sup>6 &</sup>quot;[Great earnings] have a strong effect on all who remain the least inclined to idleness or other ill courses, by causing them to work but four

speaking with the authority of a trained and careful observer when he said so positively: "Every one but an idiot knows that the lower classes must be kept poor or they will never be industrious." <sup>1</sup>

That his precept is erroneous by no means disqualifies Arthur Young as an investigator and recorder of the conditions and behavior of the laboring population. As for the conclusions which Young states so categorically, it is difficult to see how they could have been avoided by any patriotic writer of his day whose observation had convinced him of a general tendency in all branches of the laboring population toward indolence in the face of rising wages, unless he had been endowed with a much clearer perception of the causes contributing to produce this result than may reasonably be expected of the eighteenth-century theorist. When Arthur Young discovered that the riots in the southern counties during the late 1740's were limited to the best-paid workmen, he was confirmed in his belief in the constitutional indolence of the laborer and the efficacy of the discipline of hard times; he said: "The more these fellows earn, the more succeeding time and money they have for the ale-house and disorderly meetings." 2

Arthur Young's testimony was reinforced by that of numerous other writers of the period, all of whom pointed out this trait in the laborer's character. Thus Thomas Manly in 1669, when drawing the familiar contrast between the English and Dutch workmen, had said:

The men have just so much the more to spend in tipple, and remain now poorer than when their wages were less.... They work so much the fewer days by how much the more they exact in their wages.<sup>3</sup>

or five days to maintain themselves the seven; this is a fact so well known in every manufacturing town that it would be idle to think of proving it by argument." *Ibid.*, 1, p. 197.

<sup>&</sup>lt;sup>1</sup> Eastern Tour, IV, p. 361.

Arthur Young, Southern Tour (2d ed., 1769), p. 331.
 Thomas Manly, Usurie at Six Per Cent (1669), p. 19.

Similarly, John Houghton, Fellow of the Royal Society, considering in turn the different groups of laborers in England, found among all a tendency to relax industry when wages were high. He wrote:

When the framework knitters or makers of silk stockings had a great price for their work, they have been observed seldom to work on Mondays and Tuesdays but to spend most of their time at the ale-house or nine-pins... The weavers, 't is common with them to be drunk on Monday, have their head-ache on Tuesday, and their tools out of order on Wednesday. As for the shoemakers, they'll rather be hanged than not remember St. Crispin on Monday... and it commonly holds as long as they have a penny of money or pennyworth of credit.<sup>1</sup>

The employers of the manufacturing population had abundant opportunity to satisfy themselves as to the reaction of the laborer toward increases in money wages and reductions in the cost of living. The feeling with which many of this class spoke, either at first hand or through the pens of social writers, and their unanimity upon the subject, would indicate that there was a marked tendency among wage-earners to negative all attempts to stimulate an increase of industry through an advancing wage scale. William Petty, in his Political Arithmetic, was spokesman for an employer of labor to the effect that cheap living made labor "scarce to be had at all." 2 Sir Josiah Child agreed with this statement and drew the conclusion, later voiced by Arthur Young, that hard times were in reality a benefit to the laborers themselves, since they "lived better" being industrious.3 And John Law also argued that the

<sup>&</sup>lt;sup>1</sup> John Houghton, Collection of Letters (1681), p. 177 (ed. 1683).

<sup>&</sup>lt;sup>2</sup> "It is observed by clothiers and others who employ great numbers of poor people that when corn is extremely plentiful the labor of the poor is proportionably dear and scarce to be had at all (so licentious are they who labor only to eat, or rather to drink)." Petty, Political Arithmetic (1755, ed.), p. 132.

<sup>3 &</sup>quot;For our own poor in England, it is observed that they live better in the dearest countries for provisions than in the cheapest, and in a dear year than in a cheap.... For that in a cheap year they will not work

laborers were to blame for recurring high prices, because of their "insufferable" habits of idleness contracted when food was cheap.<sup>1</sup>

It is not to be believed that the interest of these writers. who attempted to prove that the laborer would be benefited by hard times, was primarily in the welfare of the lower orders. They wrote of wages and prices as they did of the workhouse and the make-work projects of their day, with a view to their effect upon the prosperity of the nation; and in this regard, the direct personal concern of the employer of labor, who spoke so unequivocably of the pernicious effect of high wages and low prices, coincided with the concern of the most disinterested social reformer who believed that the industrious laborer was the fountain head of the nation's wealth. One of these employers, a clothier in Gloucester, said through the Gentleman's Magazine in 1739 that the weavers within his knowledge "upon the average do not work above four days in the week and find provisions and necessaries so cheap that these four days furnish out the requisites for being drunk the other three." 2 David Hume reported a conversation with a "considerable manufacturer" in support of his own belief that in "years of scarcity, if it be not extreme, the poor labor more and really live better than in years of great plenty when they indulge themselves in idleness and riot."3 Hume's informant told him that "in the year 1740 when bread and provisions of all kinds were very dear, his workmen not above two days in a week, their humor being such that they will not provide for a hard time; but just work so much and no more as may maintain them in that mean condition to which they have been accustomed." Sir Josiah Child, New Discourse (1693), p. 18.

<sup>1</sup> "Extreme plenty and cheapness contribute exceedingly to extreme dearth and want.... It was observed that for several years before the last five corn was extreme cheap and low so as to indulge the poor in idleness to an insufferable degree; and this habit of idleness and sloth contracted by plenty... was doubtless none of the least causes of the late grievous famine." John Law, *Proposals* (1701), p. 60.

<sup>2</sup> Gentleman's Magazine, IX, 205.

<sup>&</sup>lt;sup>3</sup> David Hume, *Political Discourses* (1752 ed.), p. 118.

only made shift to live but paid debts contracted in former years, that were much more favorable and abundant." 1

There were many other men who voiced this opinion regarding the effect of high real wages. Jonas Hanway wrote in 1759: "The same man will also do more work when provisions are dear than when they are cheap, of which there are many proofs in the clothing countries." 2 And the same writer repeated this observation in almost identical language when, eight years later, he asserted that its truth had been remarked in the manufacturing towns.3 In 1776. an unknown writer made a general statement to the effect that high wages reduced the amount of labor.4 "All manufacturers agree," said Joseph Townsend, clergyman, "that the poor are seldom diligent except when labor is cheap and corn is dear"; 5 and in applying this truth to the problem of pauperism, which he was studying, he said: "Where the price of labor is highest and provisions are the cheapest. there the poor rates have been the most exorbitant." 6

David Hume, Political Discourses (1762 ed.), p. 118. It is to be noted that, however self-interested these employers of labor, it is not low wages they advocated, but high prices of foodstuffs. If they were seeking personal gain, they relied for this gain not upon immediate reduction in wages costs, but upon the efficacy of hard times to produce a greater quantity and better quality of work. Their personal interest in the result thus to be obtained should strengthen our confidence in their ability to select the proper agencies for producing the result, and hence support our conviction that high real wages caused a decrease in the effective labor supply of England during the period we are studying. The money wages of the period, especially during the first century, were comparatively stable and unchanging as a result of the Justice's wages assessments; oscillation in real wages were, therefore, the more frequently a reflection of changes in the prices of articles of consumption.

<sup>&</sup>lt;sup>2</sup> Jonas Hanway, A Candid and Historical Account (1759), p. 46.

<sup>3</sup> Letters on the Price of Provisions (1767), ii, p. 105.

<sup>4 &</sup>quot;It is observable that where the highest wages are given, there they do the least work; and in places where men can earn half a crown or three shillings a day, they seldom work above three or four days in the week, spend the rest of their money at the alehouse and leave their families to starve at home." State of the Poor (1776), p. 21.

<sup>&</sup>lt;sup>5</sup> Joseph Townsend, Dissertation (2d ed. 1787), p. 84.

<sup>6</sup> Ibid., p. 11.

A concrete example of this effect of high wages was given by a Scotch writer in the same year, when, speaking of Paisley, he said:

A common weaver could earn about 12s a week; his wife and two or three children nearly as much. The consequence was that many of them worked only four days in the week and spent the other three in the alchouse. Accustomed to dissipation it was with reluctance they thought of returning to labor. It is said that the recruiting sergeants were nowhere more successful. They found numbers, tempted by the offer of five guineas ready cash and what seemed an easy life, who became soldiers at less than three shillings, six pence per week, rather than remain weavers at nearly four times that weekly income.

William Temple has already been noted as an example of extreme severity toward the poor of England; his attitude toward the laboring class was not merely severe, it was bitter and cynical, established upon a belief that the lower classes of society were actuated by no impulse higher than that of immediate physical gratification. This opinion of the laborer he had drawn from personal experience, for, said he, "by carrying on a manufactory at some distance from the capital, I have gained some experience in the dispositions and conduct of our manufacturing poor; and one principal intention of this work is to show in the strongest light that such dispositions for idleness and debauchery make labor much dearer in England than in France or Holland." <sup>2</sup> These "dispositions" he held responsible for the beneficial effects of high prices:

That idleness is the consequence of cheap living, may be gathered from a knowledge of human nature alone. Mankind . . . are naturally so fond of ease and indolence, that they will not labor while they have the means of idleness in their power; but, as soon as these means are exhausted, necessity again arouses them to their work; and from this cause no state has ever yet made any considerable figure in commerce, where the necessaries of life could be obtained by little labor.

John McFarland, Inquiries (1782), p. 25.
 William Temple, Essay (1770), p. 81.

But formerly this natural love of ease operated no further than to prevent such states where provisions are cheap and idleness to be indulged from extending their commerce; whilst in others where a great number of people possessed but small territory, and where, of course, provisions were dear; there necessity hath proved the mother of industry as well as of invention. And commerce hath been extended.<sup>1</sup>

It must be admitted, however, that all writers were not convinced of the connection between hard times and industry. Sir Walter Harris, apparently admitting that

<sup>1</sup> William Temple, Essay (1770), pp. 26–27, 29–30. It is impossible to repeat at length the many statements to be found in the literature of the deleterious effect of high wages upon the industry of the laboring classes. Roger North said: "When prices of corn and victuals were very low so that the laborers might live at half charge, yet they would not abate but rather enhance their labor and make the balance good by idleness the better half of their time." Discourse of the Poor (pub. by Montague North, 1753) p. 59.

"All the mischief that attends it is ease and plenty, and that the provisions for a day require not the labor of half an one in many employments." Necessity of Encouraging . . . Industry. Anon. (1690), p. 20. The

writer is referring to England in the above quotation.

Pollexfen, in his book, Of Trade (1697), said: "The advance of wages hath proved an inducement to idleness; for many are for being idle the oftener because they can get much in little time and therefore little the better for it" (p. 47).

"People in low life, who work only for their daily bread, if they can get it by three days work in a week, will many of them make holiday the other three or set their own price on their labor." Some Thoughts on the

Interest of Money, Anon. (1728), p. 73.

Francis Maseres, in *Proposals for Life Annuities* (1772), wrote, "Numbers are known to get so much by their labor that they can maintain themselves the whole week upon the earnings of the first three days of it, and often do so, spending their time in idleness and pleasure" (p. 6).

"The indolence of the common people for one or two days of the week, is a fact that, I believe, cannot be doubted." Considerations on

the Fatal Effects . . . of . . . Public Charity (1763), p. 2.

Powell said: "If a person can get sufficient in four days to support himself for seven days, he will keep holiday the other three; that is, he will live in riot and debauchery." View of Real Grievances (1772), p. 143.

See, also, for similar statements: Daniel Defoe, Tour (1738), 11, p. 40; Joshua Gee, Trade and Navigation (4th ed. 1738), p. 56; John Cary, An Essay (2d ed. 1719), p. 103; William Allen, Ways and Means (1736), p. 32; Josiah Tucker, A Brief Essay (2d ed. 1750), p. 46; Gentleman's Magazine, 1x, 205, 233, 235; xix, 558; xxi, 359; xxvii, 370; xxxiv, 187.



"manufactures are raised cheapest in years of dearth and scarcity," argued away the force of this common observation by asserting that "extraordinary incidents do not constitute the standing rule" and that the reaction of the laborer in times of high prices would prove of short duration were hard times to become the normal condition.1 Postlethwayte contradicted with some indignation the current opinion which, he asserted, "contends for the perpetual slavery of the working people of this kingdom." He then proceeded to attribute the superior quality of England's manufactures to the frequent "relaxation of the people in their own way." 2 Forster showed himself on this, as on other points, a thorough-going dissenter from the orthodox notions. The doctrine, he said, "is false, as it is inhuman." Like Harris, he believed it was only when hard times were temporary and when laborers had constant hope of bettering their condition by unusual effort that they would react with increased industry. On the other hand, high wages would cause indolence only when sudden. unusual and temporary, and even then only in a small number of cases. Hard times artificially produced by taxes on necessaries or reductions of wages would cause general hopelessness and cessation of industry.3 An anonymous writer of 1767 chose a middle course stating that the prosperity of the state demanded that provisions be kept at a "moderate rate"; since, "if too dear, the poor cannot live, if too cheap, they will not work," an assertion certainly meaningless enough to pass without serious question.4 Sir John Nickolls opposed lowering wages on the rather sentimental grounds that the English laborer should not be forced to live as the French and Dutch, while he added the more practical objection that hard times would cause the

<sup>&</sup>lt;sup>1</sup> Sir Walter Harris, Remarks (1691), p. 53.

<sup>&</sup>lt;sup>2</sup> Malachy Postlethwayte, Dictionary, Preliminary Discourse (1776), p. 14.

<sup>3</sup> Nathaniel Forster, Enquiry (1767), pp. 55-64.

<sup>4</sup> An Appeal (1767), p. 14.

poor to resort to the "parish or robbing." <sup>1</sup> Vanderlint's book, Money Answers All Things, departed fundamentally from the prevalent doctrine of the social utility of hard times, for the aim of his project was to cheapen provisions. Hence he felt obliged to refute the doctrine, which he did very inconclusively by a series of statements purporting to show that high wages caused increased production. <sup>2</sup> The same writer took a different position, but one which had already gained some support, when he asserted the positive injury of low wages; this he did by resorting to the argument of the social importance of the laborer as a consumer, stating his conclusion in these words:

Lowering wages would be injurious since the laboring class being the bulk of mankind would in this case affect consumption of things in general so mightily that there would be a want of trade and business amongst the other part of the people.<sup>3</sup>

Richard Gouldsmith, who branded the doctrine of hard times as a "barbarous notion," took the same position in regard to the laborer's importance as a consumer:

But if we should so far debase human nature as to put them into the condition of brutes, I can't see they would be of much more service to the nation for in such circumstances they could not do anything to promote either the trading or the landed interest; they could not purchase clothes which promotes trade or food which promotes land.<sup>4</sup>

That a decrease in the amount of purchasing power in the possession of the laborer might prove injurious to the landed interest by diminishing the demand for foodstuffs was pointed out by Cary, who warned the country that any further lowering of wages would "fall product" and depress land values.<sup>5</sup>

- <sup>1</sup> Sir John Nickolls, France and Great Britain (1754), p. 261-62.
- <sup>2</sup> Jacob Vanderlint, Money Answers All Things (1734), p. 120 f.

3 Ibid., p. 61.

<sup>4</sup> Richard Gouldsmith, Some Considerations (1725), p. 18.

<sup>5</sup> John Cary, State of England (1695), p. 145. See also J. Howlett, Insufficiency of the Causes (1788), pp. 54–55.

With the exception of the writers quoted above, the social observers of the period were convinced, either from hearsay or observation, that high wages had the effect of diminishing the number of labor hours afforded by the working classes, and this fact was filled with grave significance to the eighteenth century writer. In effect it appeared a reduction of the labor supply of the country, just at a time when the consequent high production costs and high prices for manufactured goods would prove most prejudicial to England's prestige in the markets of the world. For the French and Dutch were daily threatening to drive England out of those markets which she had practically monopolized, and this they could do only by underselling, or — to follow the economic thought of the day — by producing at lower wages cost. The idleness and indolence of the English laborer were conditions most favorable to the production of this undesirable event. hence the "taint of slothfulness" which seemed to strike deep into the characters of the English workmen portended little less than national calamity. Followed by such grave consequences, indolence might easily appear a crime; indolence induced by high wages and low prices, by "good times," a crime the more heinous because it lacked all excuse with which the observer could sympathize. Indeed, it is probable that others believed as did Petty, that such conduct was "a common blessing of God . . . abused by the vile and brutish part of mankind." 2

While our study of the life conditions of the laborer may serve to explain to our satisfaction his conduct in times of high prices,<sup>3</sup> while it may lead us to lay the blame for his conduct upon the social environment by which his character was moulded, and convince us that logical remedies for his conduct should have been applied to those ele-

<sup>&</sup>lt;sup>1</sup> See chapter vn.

Sir William Petty, Political Arithmetic (1755 ed.), p. 132.
 See Appendix III.

ments in his life conditions whose influence was pernicious, these were not the conclusions reached by contemporary observers. For the most part, these writers saw only the effect, not the cause; 1 and even those among them who

¹ The writers of the period were not entirely blind to the fact that the laborer's life conditions were responsible for the indolence which they so much deplored. Not a few pointed to the poor laws as the cause of the tendency to relax industry when wages rose; thus said Roger North: "The price of labor is such that they can make a good living by two or three days' work in a week; and why work more, say they? This provides bread, food, and ale; if we are sick or old, the parish must provide for us." Discourse of the Poor (1753), p. 60. North's proposal was to repeal the whole body of the poor law and re-establish voluntary charity; see ibid., pp. 31 ff.

This was also the theme of Defoe's Giving Alms No Charity, published at the beginning of the eighteenth century as an argument against the workhouse; the writer urged the necessity of training the poor in self-reliance and pointed out that this could be done only by throwing them

upon their own resources.

At the middle of the century a number of writers took the same position against poor relief; Thomas Alcock said, "It has a tendency to hurt industry, care and frugality... when a man has the prospect of the parish to rely on in case of future wants or misfortunes." Observations (1752), p. 10.

In 1763, another writer made the assertion that universal relief destroyed industry, and that the only worthy objects of charity were those unfit for labor by reason of some physical infirmity, all others being in duty bound to labor. See *Considerations on the Fatal Effects*, anon.,

passim.

"If they are infinitely diligent, sober and industrious while they are young and in health, what is the consequence? Why, they lay up a small sum monthly to support them easily and comfortably when aged or in sickness. But suppose they are idle, drunken and worthless. What attends such a contrast? Why precisely the same effects as the other conduct is attended with; ease and comfort either in sickness or age . . . not from themselves, indeed, . . . but the parish."

"I therefore clearly determine that the present laws relative to the support of the poor are universally the encouragers of idleness... and that as such they are highly pernicious to the welfare of the kingdome." Farmer's Letters (1767), pp. 163, 171. See also for similar remarks Young's

Eastern Tour (1771), 11, p. 76.

Joseph Townsend deserves mention because of his clear thinking upon the subject of the poor law; in his book, Dissertation on the Poor Laws, this writer said: "The envy and emulation of the lazy and improvident is not the man who by his activity is acquiring affluence but the indelent poor of every parish who by his impudence and by his importunity has

advocated the withdrawal of parish relief as an essential preliminary to the reformation of the character of the poor, looked upon the poor law as a charitable provision which had been abused by a debauched and ungrateful people, and proposed its repeal more as a fitting punishment for immoral conduct than the removal of a pernicious influence. With few exceptions, the opinion was unanimous that when the laborer "kept holiday" three days of the week, he displayed a debased character and a disregard for national duty.

obtained the most ample and the most unmerited relief." See Dissertation

(1787 ed.), p. 34.

The true effect of the workman's loss of property was perceived by some observers. Arthur Young, an enthusiastic supporter of the new régime in agriculture though he was, urged the utility of allowing the laborer to acquire landed property, realizing the effect which expanding opportunities for investment would have upon the industry of the lower classes. See his Northern Tour (1770), 289 f., for a vivid picture of this effect, used by Young to encourage the ownership of landed property among the laboring classes. From the same motive, movements were set on foot near the end of our period to furnish the laborer with opportunities for investing his surplus earnings. Such was the Proposals for Life Annuities, published in 1772 by Francis Masseres; the Bill introduced in the same year for rendering effective this proposal; the Observations on Reversionary Payments, by Dr. Price, and the encouragement given to benefit Societies as typified in Gilbert's Bill of 1786 (see A Plan for Police). were of similar nature. Much was made in the years which followed our period of movements such as these to better the thrift and independence of the laborer by giving him a sphere of activity for his motive of personal and social ambition, but their influence was not felt and the motives which prompted them were rarely expressed until the more liberalistic attitude of the Utilitarians had supplanted the Mercantilist doctrine of the social importance of the laboring classes.

The ruling spirits of the day had too much confidence in the wisdom of the ancestors to agree to a complete destruction of the structure of poor relief, though many amendments were proposed. The reformers of the time, as is always the case when administration is corrupt or inefficient, were in the main searching an answer to the question, "Quis custodient custodies?" See especially: A New Scheme (1736); Enquiry into the Causes of ... the Poor (1738); Henry Fielding, Enquiry (1751); William Hay, Remarks on the Laws relating to the Poor (1751); Joseph Massie, A Plan for ... Charity Houses (1758); Thomas Gilbert, A Scheme for Better Relief (1764); Ibid., A Bill for Better Relief (1775); Inquiry into the Management of the Poor (1767); John Toke, Five Letters (1771); Powell, View of Real

Grievances (1772).

Understanding the frame of mind of these writers, their reformatory proposals seem to follow with simple directness. Since prosperity caused the laborer to relax his industry when constant application to his work was essential to national well-being, it apparently followed that the laborer's "good times" were injurious to the nation; therefore it seemed expedient to keep the "lower orders in a state bordering on want that a necessity might exist for the exertion of their labor." This end could be attained most directly by keeping wages low and prices high.1 There were not many writers who proposed an actual reduction in money wages, for most of those who believed in the utility of hard times relied upon measures to advance the cost of living as means toward this end. Sir Josiah Child, indeed, expressed a positive opposition to reductions of wages,2 a statement for which he was later called to account by Henry Fielding who pointed, not without force, to Child's own assertion that hard times ("dear years") were beneficial to the laborers themselves.3 Some attempts to lower the rate of wages are, however, to be found. Thomas Manly, who early propounded the doctrine of the utility of hard times, urged vaguely that it was wise to "subdue our wages." 4 Pollexfen appeared to op-

¹ There was a mixture of motive in these proposals to keep wages low. In our present analysis they appear in a disciplinary character, of a piece with the eighteenth-century workhouse, as an attempt to instill into the character of the laboring population the thrift and industry essential to national prosperity. Low wages were advocated for another reason, also — because they were considered essential to low prices for manufactured products, in conformity with the prevailing theory of the wagescost determination of value; this aspect of the question will be discussed in Chapter vii of the present essay. But in either character the proposals to reduce wages were inferences from the Mercantilist conception of national wealth; had this wealth been viewed as an average, the impoverishment of the bulk of the population could not have been considered an effective means toward national enrichment.

<sup>&</sup>lt;sup>2</sup> See New Discourse (1693), preface.

<sup>&</sup>lt;sup>3</sup> Fielding, Enquiry (1751), p. 58; the reference to Child is found in his New Discourse, p. 18.

<sup>&</sup>lt;sup>4</sup> Thomas Manly, Usurie at Six Per Cent (1669), p. 22.

pose advances in wages if he did not advocate their reduction. "The advance of wages," said he, "hath proved an incentive to idleness." <sup>1</sup> In 1736, another writer, William Allen, advanced the flat assertion that wages were too high and ought to be reduced by law, proposing further that, after the reduction, laborers should be forced to work at fixed rates. <sup>2</sup> And forcible reduction of money wages was advocated by an anonymous writer to the *Gentleman's Magazine* three years later. This writer said:

It is an incontestible truth that the poor in the manufacturing countries will never work any more time in general than is necessary just to live and support their weekly debauches. . . . We may justly infer that the reduction of wages in the wool manufactures would be a national blessing and advantage, and no real injury to the poor. By this means we should be capable of extending our foreign trade further, to find out sufficient employment for all our manufacturing hands at home; and should thereby reduce idleness and debauchery only, of which high wages and spare time are the nurses and supporters.<sup>3</sup>

Fauquier's tone in his Essay on Ways and Means was not so positive as that of the writer just quoted, but his meaning was essentially the same:

If the price of labor in any country is so great that the poor by working part of the week, can maintain themselves and family the whole week, 't is an evil to that country which requires the strictest attention of the magistrates, or, if too much for them, of the legislature, by all possible means to prevent. For every day's loss of labor is an actual loss to the public. Any laws which encourage this idleness of the people are to be immediately repealed as soon as the malady is found out.<sup>4</sup>

A desire to enforce the industry of the working people led Josiah Tucker to conclude that, "if the price of labor is continually beat down, it is greatly for the public good," <sup>5</sup>

- <sup>1</sup> Pollexfen, Of Trade (1700), p. 47.
- <sup>2</sup> William Allen, Essay (1736), p. 32.
- 3 Gentleman's Magazine, IV, 235.
- <sup>4</sup> Francis Fauquier, Essay on Ways and Means (1756), p. 18.
- <sup>5</sup> Josiah Tucker, Brief Essay (2d. ed. 1750), p. 46. Tucker believed that

believing as he did: "This is the ruin of all our trade, too many there are who will not accept work one part of the week but on such terms as will enable them to live in vice and idleness the rest." 1 These convictions, however, did not make of Tucker an advocate of the policy of reducing wages by law, for he preferred as a "humane and compassionate man" to rely upon the discipline of unrestricted immigration and the competition of increased numbers.2 Henry Fielding was one of the few writers who took an unequivocal position in regard to wages, holding that they were too high and ought to be reduced. This, he thought, would redound to the benefit of the laborer by insuring more constant employment 3 and to the nation by expanding still further her foreign commerce.4 It will be recalled that this writer had no doubt of the duty of the poor to labor. 5 He advocated the rating of wages as a means requisite to the enforcement of this duty:

Is it not the same thing to have the liberty of working or not at your own pleasure and to have the absolute nomination of the price at which you will work? The idleness of the common people is, indeed, greatly to be attributed to this liberty; most of these, if they cannot exact an exorbitant price of their labor will remain idle.<sup>6</sup>

That wages were too high was the opinion of an unknown writer in 1763.<sup>7</sup> And Arthur Young should be mentioned in concluding our study of this group of writers, for he gave his support to the opinion that a reduction of wages

the laboring classes, if "subject to little or no control... will run into vice; vice is attended with expense, which must be supported either by an high price for labor, or by methods still more destructive" (p. 36). And again, English laborers "are as bad as can be described; who become more vicious, more indigent and idle in proportion to the advance of wages and the cheapness of provisions" (p. 37).

<sup>&</sup>lt;sup>1</sup> Josiah Tucker, Six Sermons (1772), p. 89.

<sup>&</sup>lt;sup>2</sup> Ibid., Brief Essay, p. 42.

<sup>3</sup> Henry Fielding, Enquiry (1751), p. 57.

<sup>&</sup>lt;sup>4</sup> Ibid. (1751), pp. 59. <sup>5</sup> Ibid., pp. 49 ff. <sup>6</sup> Ibid., p. 61.

<sup>7</sup> Considerations on . . . Public Charities (1763), p. 24.

was necessary, admitting, however, that he was ignorant of the correct level for wages, but believed that they might be either too low or too high.<sup>1</sup>

Much more frequent were the proposals to lower the real wages of the laboring classes through the agency of increased prices for necessaries. It need scarcely be pointed out that the end to be attained by both of these methods was the same; that the one should have proved more attractive is to be accounted for in part by its greater practicability, and in part by the appeal which it made to the land-owning faction who had a double interest in a high price for food products. The celebrated Petty, proceeding from his statements that "plentiful corn" made labor dear, proposed the unique scheme of a public granary to absorb the surplus crop in the years of bountiful harvest and thus keep the price of food at a constant level.2 That the way "to render a people sober, temperate and industrious is to render provisions dear so as to deprive them of any opportunity to be either idle or debauched" was the opinion of the anonymous writer of a prize-winning essay in 1758.3 To encourage the exportation of corn was another means proposed to produce the salutary effect of rendering the

<sup>2</sup> Sir William Petty, *Political Arithmetic* (1755 ed.), p. 132. The public granary had been proposed before Petty's time and was again suggested, but for a very different reason than to discipline the poor; in this respect

his proposal was unique.

¹ Arthur Young, Southern Tour (1769 ed.), p. 332. That wages were too high in the vicinity of the capital Young had no doubt, and laid this to the "debauched" life of its inhabitants which occasioned "them to be more idle than in the country." Ibid., p. 325. Young "expressed Amasement" that no steps were taken to counteract the pernicious influence of the capital, especially since "politicians are so clear in their opinion that low prices of labor are the utmost importance to all trading states." Ibid., p. 326. In like manner Young's reliance on rigorous life conditions to induce industry was illustrated in his advocacy of "high rents." See Northern Tour (1770), IV, p. 496; Eastern Tour (1771), I, pp. 159, 319. For a very clear statement of the pernicious effect of high wages and that wages obtaining in England were too high in Young's time, see Expediency of a Free Exportation of Corn (1770), p. 29.

<sup>&</sup>lt;sup>3</sup> Gentleman's Magazine, XXVIII, 374, q.v. for a review of this essay.

lot of the laborer hard. Arthur Young will serve as a representative of the group of writers who advanced this suggestion. In the course of his argument on *The Expediency of a Free Exportation of Corn at this Time*... he said: "Living must be rendered dear before that general industry which alone can support a manufacturing people will be rooted among them." <sup>1</sup>

But the prevailing belief in the economy of high food prices is best illustrated in the literature dealing with the excise on articles of food. It was the trend of opinion that excises tended to raise wages for the taxes on food products were believed to fall upon the consumer in the form of higher prices.2 There was, however, a counter opinion which relied upon the efficacy of high prices to increase the industry of the consuming public and to produce as a final effect a lower, rather than a higher, wage level; indeed the excise was proposed and defended for this very purpose, reflecting the current opinion that hard living and frugal fare for the laboring classes were to the best interests of the nation. A tax on necessaries was the method proposed by John Houghton in 1683 to force steady application from a people whom he considered to be generally debauched 3 and Petty depended upon such a tax to reinforce the effect of his public storehouse.4 John Law said of taxes on consumption: "They're often times so far from being hurtful to a country in general that they naturally

<sup>&</sup>lt;sup>1</sup> Arthur Young, Expediency (1770), p. 28. Young went further to say: "There is not an instance in Europe of a country making great advances in manufacture while such a country continued under the possibility of labor being low." *Ibid.*, p. 29.

<sup>&</sup>lt;sup>2</sup> See chap. vII.

<sup>&</sup>lt;sup>3</sup> Houghton believed that the rise in prices due to a general excise would cause a "Part of their provision to be dearer to them, and oblige them to more industry, whereby they will procure more manufacture to sell cheaper." *Collection of Letters* (1681), p. 184.

<sup>&</sup>lt;sup>4</sup> Political Arithmetic (4th ed. 1755), title, chap. II: "That some kinds of taxes and public levies may rather increase than diminish the wealth of the kingdom."

encourage frugality in the rich and industry in the poor." <sup>1</sup> David Hume gave his support to this doctrine, though not without reservation when he said:

When a tax is laid upon commodities which are consumed by the common people, the necessary consequence may seem to be that the poor must either retrench something from their way of living or raise their wages so as to make the burden of the tax fall entirely upon the rich. But there is a third consequence which very often follows upon taxes, namely that the poor increase their industry, perform more work, and live as well as before without demanding more for their labor. Where taxes are moderate, are laid on gradually, and affect not the necessaries of life, this consequence naturally follows and 't is certain that such difficulties often serve to excite the industry of the people and render them more opulent and laborious than others. . . .

But beware of the abuse. Exorbitant taxes, like extreme necessity, destroy industry by engendering despair and even before they reach this pitch, they raise wages . . . and the price of all

commodities.2

In 1765, William Temple wrote a tract devoted to the purpose of establishing the proposition that excises had a beneficial effect upon the country as a whole, through their influence upon the thrift of the laboring population; this tract, very much amplified, was republished in 1770 under the title, Essay on Trade and Commerce. As has appeared from earlier quotations, Temple was a powerful advocate of the workhouse as an agency for enforcing industry; his support of the excise was based upon an expectation of much the same effect:

Taxes on the necessaries, which the poor principally consume, never do raise the price of labor, but on the contrary, they naturally tend to create industry, produce a large quantity of labor, and, of course, lower it in a variety of ways, though not its nominal price.

[When] wheat be at eight shillings a bushel or at five, the nominal price of labor continues the same; but being in times

<sup>1</sup> Proposals (1701), p. 51.

<sup>&</sup>lt;sup>2</sup> David Hume, Political Discourses (1752 ed.), pp. 115-18.

of dearth better performed, it becomes, in fact, considerably cheaper....¹

Among the social reformers of the period, some, though they believed in the economy of hard life conditions for the laboring classes, found themselves unable to adopt the more open method of raising prices or lowering wages. These projects were too apparently aimed at the economic well-being of the workingman and smacked too strongly of a cruel grinding of the poor to win the assent of the compassionate. Yet many of the most humane and liberalminded spirits of the time were firm in their belief that some reformatory measures were necessary to correct the deep-lying faults of the lower orders; even the most compassionate was inclined toward the opinion that life had been too easy for the working-man; that discipline had been unwisely relaxed and that his character had suffered from an absence of a necessity for his industry. Writers who were loath to adopt direct methods to reduce the prosperity of the laborer were frequently willing to reach the same end by more devious paths, and of these a favorite project was to increase England's population until severe competition would guarantee the industry of the laborer.

The subject of population has already been considered as a part of the Mercantilist's doctrine of the national importance of the laborer; <sup>2</sup> the writer who viewed the labor of the lower classes as the source of the nation's wealth could not easily have avoided the corollary that an increase in population was an immediate increase in national riches. This corollary passed unquestioned so long as ample fields of employment existed for the enlarging population but there was a tendency to question its truth when idleness and poverty began to assume large proportions. And so opposite opinions were freely expressed regarding the desirability of increasing the number of people, an ample

<sup>&</sup>lt;sup>1</sup> William Temple, *Essay*, pp. 59, 60. <sup>2</sup> See chap. 11, pp. 28 ff.

field for controversy between the opposing groups of writers being furnished by the frequently discussed policy of inviting immigration by relaxing the naturalization laws. It should be noted, however, that although a strong opposition was expressed to this policy, the arguments of both parties conformed to the conception of the national importance of the laborer which underlay the domestic policy of England. Both parties agreed that the laborer, if industriously employed, would enrich the nation, but contention arose upon the subject of employment. Opposition to general naturalization proceeded upon the same line of argument which so powerfully upheld the protective legislation and the make-work projects of the Mercantilist - that is, a scarcity of employment was assumed and it was asserted that competition of foreign labor, if untempered by protection, would "take the bread out of the mouths of the poor." Those who favored unrestricted immigration, on the other hand, adhered to the opinion that, to adopt Defoe's phraseology, "the exigence of the poor proceed from their crimes of indolence and sloth"; a thickening up of the population promised to remove these crimes by applying to the laborer's character the acid test of life and death competition, and the disciplinary effects of this competition were depended upon to instill into the laboring population those habits of thrift and industry so essential to national well-being. A lowering of wages, derived from the competition of laborers, would redound to the nation's profit immediately in the form of expanded exports, but the future would bring the greater gain in the improved morale of the laboring population; so argued the proponents of unrestricted immigration, thus showing themselves to be of like mind as the advocates of other measures to discipline the laborer.

Some examples of this opinion may be given. Sir William Temple, in the course of his eulogy of the Dutch, gave a clear exposition of the viewpoint:

I conceive the true original and ground of trade to be great numbers of people crowded into small compass of land, whereby all things necessary to life become dear, and all men who have possessions are induced to parsimony; but those who have none are forced to industry and labor, or else to want. Bodies that are vigorous fall to labor; such as are not, supply that defect by some sort of inventions of ingenuity. These customs arise first from necessity and grow in time to be habitual in a country. And wherever they are so if it lies upon the sea, they naturally break into trade. . . .

This cannot be better illustrated than by its contrast which appears nowhere more than in Ireland; whereby the largeness and plenty of soil and scarcity of people, all things necessary to life are so cheap that an industrious man by two days labor may gain enough to feed him the rest of the week; which I take to be the very plain ground for the laziness attributed to that people. For men naturally prefer ease before labor and will not take pains if they can live in idleness; though when by necessity they have been inured to it, they cannot leave it, being grown accustomed. . . . Nor is the change harder from constant ease to labor than from constant labor to ease. 1

When writing upon conditions in Ireland in another book, Temple took the position that improvement in that country depended upon "an increase of people in the country to such a degree as may make things necessary to life dear, and thereby force general industry from each member of the family." <sup>2</sup> Sir Josiah Child, who took a decided stand in opposition to arbitrary reductions in the wages rate, <sup>3</sup> strongly favored reaching the same end (that is, more constant labor) by means of increased competition of numbers. <sup>4</sup> Child in the Preface of his New Discourse expressed an unqualified admiration for the Dutch,

<sup>&</sup>lt;sup>1</sup> Observation on the United Colonies (1673), p. 187.

<sup>&</sup>lt;sup>2</sup> An Essay on . . . Ireland (Miscellania, ed. 1693), I, p. 116.

<sup>&</sup>lt;sup>3</sup> New Discourse (1693), preface.

<sup>&</sup>lt;sup>4</sup> Child appears to have favored the excises for this reason. He said, "The abatement of interest conjoint with excises upon our home consumption, are two of the most comprehensive and effectual sumptuary laws that ever were established and most necessitating and engaging any people to thriftiness, the high-road to riches." New Discourse, p. 27.

beside whom, he said, the English were "mere pigmies in trade"; and his first "general rule for the enlargement of trade" was "to increase hands in trade." Like Child, Charles Davenant believed that a large population, laboring to increase the mass of exportable product, would tend to produce a favorable balance-of-trade and, therefore, to enrich the nation. A collateral effect, evidently tending in the same direction, was pointed out by this writer in his Essay on Ways and Means:

People are the real strength and riches of a country....'Tis better, perhaps, that a people should want country than that a country should want people. Where there are but few inhabitants and large territory, there is nothing but sloth and poverty; but when great numbers are confined to a narrow compass of land, necessity puts them upon invention, frugality and industry; which, in a nation are always recompensed with riches and power.<sup>3</sup>

A sentiment very similar to that of Davenant's just quoted, appeared in an early tract of George Berkeley, who later, as Bishop of Cloyne, attracted much attention by his far-sighted observations upon the economic conditions of Ireland:

The number of people is both means and motive to industry; it should be of great use, therefore, to encourage propagation by allowing some reward or privilege to those who have a certain number of children; and on the other hand, enacting that the public shall inherit the unentailed estates of all who die unmarried of either sex.<sup>4</sup>

The importance of the laborer as a consumer was brought into prominence by the writers who were interested in increasing England's population. This phase of the labor theory appealed especially to the landed interest, who

<sup>1</sup> Sir Josiah Child, New Discourse (1693), p. 154.

<sup>3</sup> Ways and Means (ed. 1701), p. 140.

<sup>&</sup>lt;sup>2</sup> Charles Davenant, Essay upon . . . the Balance (1699), p. 24.

<sup>&</sup>lt;sup>4</sup> George Berkeley, Essay toward Preventing the Ruin of Great Britain (1721), p. 7.

were concerned mainly with the price of foodstuffs, but it also won the assent of disinterested social writers. The latter believed that the ultimate effect of high food prices would be salutary, since the increased cost of living would spur the laboring classes to renewed efforts and compel them to practice economy and thrift. Thus said Roger North:

If there be many laborers, labor will be cheaper, which is so much added to the profit of land; and the poor live as well, being industrious.... Their eating and drinking is a profitable consumption of our country's products and their labor is sowing riches for the public to reap.<sup>1</sup>

The consumption of the laborers was supposed to create reciprocal encouragement for their industry; employment, it was thought, would be created automatically by the increased demand for each other's products and the nation would gain from the multiplied labor of the people. Defoe took the ground that a multiplicity of middlemen was a good thing for trade and for the nation, since trade would then maintain a large population.<sup>2</sup> He was an advocate of general toleration as a step toward encouraging immigration.<sup>3</sup> One writer in 1700 attempted by illustration to explain the process by which employment would expand with an influx of members:

[If] at the same time twenty merchants, ten smiths, six wrights, ten tailors, and proportionable of every trade and calling come hither, by which means the inhabitants are considerably increased . . . the new comers will be subjects of employment to one another.<sup>4</sup>

<sup>&</sup>lt;sup>1</sup> Sir Roger North, Discourse of the Poor (Montague North ed. 1753), p. 78.

<sup>&</sup>lt;sup>2</sup> Daniel Defoe, Complete English Tradesmen (Works, 1840), II, p. 98. Defoe wrote: "Trade maintains multitudes and increases them by the consequences of their labor."

<sup>&</sup>lt;sup>3</sup> Ibid., п, р. 99. See also п, р. 110, for a detailed illustration of the effect of this policy.

<sup>4</sup> The Undoubted Art of Thriving (1700), p. 27.

And Sir William Mildmay stressed the ability of an expanding population to create employments for the increasing numbers of hands, when, in the course of his investigations of expedients to improve England's trade, he adverted to those elements in her domestic policy which exerted a restraining influence over the increase of numbers:

Hence it follows, that the advantage of an increasing people arises from the increase of their skill and industry; since a populous country without skill or industry, like an unwieldy body without strength or activity, is only a burden to itself, and a prey to others. We must, therefore, find *employments* for men, as well as *men* for employments, and whilst they can be set to work, either toward the cultivation of lands, or the increase of manufactures, or the enlargement of foreign commerce, they will find a comfortable livelihood for themselves and prove an additional strength to the public.

The more numerous they are, the greater will be their necessity to become industrious; new necessities will create new employments; new employments will increase riches, and the increase of riches will maintain the increase of people.<sup>1</sup>

The most resolute champion of free immigration during the eighteenth century was, perhaps, Josiah Tucker. In his zeal for the reform, he overlooked no argument tending to prove the economic value to the nation of a large population. Thus he urged the utility of a numerous laboring populace in the foreign trade of the nation;<sup>2</sup> to the landlords; <sup>3</sup> to the military power; <sup>4</sup> but his weightiest argument was built upon a belief that the emulation and competition of numbers would inspire or compel the laborer to extend his industry to the utmost. Tucker asserted that the manufacturing population in no country was "so debauched and immoral as in England." <sup>5</sup> And unrestricted immigration, he believed, would reform their characters, for "by this means, the price of labor is continually beat down, combinations of journeymen against their masters

<sup>&</sup>lt;sup>1</sup> Sir William Mildmay, Laws and Policy of England (1765), p. 9.

<sup>&</sup>lt;sup>2</sup> Josiah Tucker, Important Queries (1751), pp. 19 ff.

<sup>&</sup>lt;sup>3</sup> Ibid., pp. 21–26. <sup>4</sup> Ibid., p. 15. <sup>5</sup> Ibid., p. 40.

are prevented, industry is encouraged and an emulation excited." <sup>1</sup> In another work, Tucker stated the same proposition:

When a country is thinly peopled, it is impossible to promote a brisk circulation of industry and labor by reason of ... their want of rivalship....<sup>2</sup>

Tucker swept aside the argument that unemployment would result from the competition of the new citizens by appealing to the power of the laborer as a consumer to create employment:

Whether the true method of finding out the causes of the want of employment, is not first to enquire what are the impediments to the circulation of labor?

Whether labor can be so well circulated in a country thinly peopled as in one very populous, where the inhabitants create mutual employments for each other? Whether it is not observable that the people in those countries which are thinly inhabited are forced to seek employment in distant populous places for want of work at home? <sup>3</sup>

The undeniable fact that unemployment actually existed in England at that time, Tucker believed, proved nothing more than that the people were immoral, a conclusion for which he was led to condemn them scathingly in other works.<sup>4</sup> This position regarding the disciplinary value of

<sup>1</sup> Brief Essay (2d ed. 1750), p. 42.

<sup>2</sup> Elements of Commerce (1755), p. 11.

3 Important Queries, pp. 9 ff. Tucker went on to say: "Whether the quantity of labor or the means of employment are not in proportion to the number of inhabitants? Whether, therefore, if there were but ten thousand people in this island, many of these would not want employment?" Ibid., p. 16.

4 "Whether the artificial wants of gin drinkers are of so extreme or commercial a nature as those of sober, frugal, and industrious people, who exchange their own labor for the necessaries and conveniences of life, that is, the labor of others; and increase the number of inhabitants by breeding up families to continue the same honest course after them?

"Whether gaming and debauchery, poverty, idleness, and disease can create any employment in the main but for two sorts of occupations, the hangman, and the sexton?" Important Queries (1751), p. 11. See also

increasing population, so emphatically stated by Tucker, had been taken two years before the appearance of Tucker's Important Queries by an anonymous writer to the Gentleman's Magazine. In speaking of the immigrants whom he expected a more lenient naturalization policy to bring into England, this writer said:

They will not defraud the mouths of sober, frugal and industrious persons, who may work as cheap and can work as well as foreigners; and therefore should be obliged to do both. None but the abandoned, debauched and dissolute would choose to be idle three or four days in the week and want to have their wages so high as to support this extravagance.<sup>1</sup>

In concluding this phase of the social opinion of England, we may revert to William Temple, whose condemnation of the morals of the laboring population has already been mentioned. This author was so firmly convinced of the need of severe discipline for the laborer that he evinced a wide catholicity of opinion toward all projects which promised to enforce industry; thus each of the three major expedients projected toward this end found a place in his plan. A workhouse of the most severe character was advocated to inure to labor; <sup>2</sup> real wages were to be reduced by raising the cost of living; <sup>3</sup> and, to round out the scheme, the competition of numbers was relied upon to make still more rigorous the life conditions of the laborer.<sup>4</sup>

A Brief Essay (1750 ed.) p. 36, where Tucker speaks of the laborers of England as being "as bad as can be described; who become more vicious, more indigent and idle, in proportion to the advance of wages."

1 Gentleman's Magazine, XIX, pp. 558 f.

<sup>2</sup> William Temple, Essay (1770), pp. 151-269. <sup>3</sup> Ibid., pp. 59, 60.

4 Ibid., "Another cause of idleness in this kingdom is the want of a sufficient number of hands. One would naturally, upon the face of things, suppose that where hands were scarce they should be fully employed; but this is far from being the case, as is well known to master manufacturers. Whenever, from an extraordinary demand for manufacturers, labor grows scarce, laborers feel their own consequence, and will make their masters feel it likewise. It is amazing, but so depraved are the dispositions of these people that on such cases a set of workmen have combined to distress their employer by idling the whole day together. But then let it be ob-

The doctrine of the utility of hard times which we have been examining was in harmony with the prevailing tone of a diffuse mass of suggestions and proposals called forth during the eighteenth century by the increasing gravity of the problem of pauperism. Of the numerous pamphleteers who gave their thought to this problem many disclose no apparent intention more serious than that of berating the lower classes for their "crime of luxury and sloth": others. however, advanced suggestions as definite as could be desired by means of which, it was hoped, these "crimes" might be eradicated. It is difficult to find in this mass of pamphlets a coherence to a common motive or intention of sufficient definiteness to permit of their classification under a general name; but so far as a general tendency is discernible, these proposals appear, like those which have been examined, to aim at enforcing the industry of the people. Their immediate intention was to resist any movement of forces which promised to break up class status and facilitate the social advance of the lower orders. They appear to be founded upon the belief that the office of the poor man was to labor unceasingly, for they strongly condemned all movements tending to divert his attention from the discharge of his duties.

The parochial settlement of the poor was favored by some for this purpose. It is true that eighteenth century writers were for the most part opposed to the Settlement Acts, though these acts appear to have been one of the most powerful of agencies maintaining the class status of the laborer. But this effect of strict legal settlement was not the subject of their attack; the influence of the acts in the formation of rigid social classes was rarely noted, nor were there many writers who appeared to appreciate how ad-

served . . . . that these things never happen when wheat and other necessaries are dear; labor is then too plentiful and becomes too necessary to admit of such unnatural combinations; nor does this ever happen in a state where there is plenty of laboring hands. The most efficacious remedy for these and many other evils is a general naturalization" (p. 27).

versely the economic well-being of the laboring population was affected by the parochial delimitation of the labor market. The opposition was based chiefly upon the injury sustained by the upper classes through the Settlement Acts. The difficulty and expense attending legal action for the removal of parish paupers to the places of their legal domicile and the wastefulness of the litigatious bickerings between parishes whose interests clashed where settlement was doubtful, consumed a large portion of the poor rates and so increased the burden of the taxpaver. It was frequently pointed out that the amount raised would go further in the alleviation of real distresses if none of it were absorbed by parisitic barristers who fattened upon the conflicting interest of the different parishes. Hence, it was thought, the increases in the poor rates which were continually found necessary, would not be required if parishes were "laid together" and an end put to these expensive conflicts in the courts; indeed, reductions might prove possible. It would be a mistake, then, to conclude that opposition to the Settlement Acts always indicated an attitude of liberalism toward the laborer, or to construe as inconsistent with the prevailing opinion that the social position of the propertyless man should be fixed and rigid, the attempts which were made to have the Settlement relaxed. In fact, suggestions for revising the Settlement Acts in the other direction, that is, toward a smaller unit of legal domicile, were not lacking. Thus in 1738, it was proposed that England make a still more minute division and reduce the laborer to a condition of practical immobility, similar to that of King Arthur's time. 1 Thirty years later, the suggestion was repeated, at least in respect of its anticipated effects; the advisability of registering the names and condition of each parish resident was urged; at quarterly periods a public reading of the register was to be held and complaints against any entertained; this scrutiny of the con-

<sup>1</sup> Enquiry into the Causes of . . . the Poor (1738), p. 66.

duct of the people was to be made national in scope; and the more firmly to bind the people of the place of legal domicile, it was suggested that the members of the group be made mutually responsible for misconduct. In 1770, King Alfred's system of mutual responsibility was again held up as an example of wise domestic policy.

Now obviously such ideas as these could not possibly have arisen in minds entertaining a liberalistic attitude toward the laboring classes. In opposition to the break-up of class status which the new economic forces of the periods were slowly but surely tending to effect, they condemned social ambition in the lower orders considered so desirable by the economist of to-day, as tending to produce a repugnance for sober, constant labor. "Each individual." exclaimed William Young, with regret, "hath seemed anxious to outstrip his proper class." 3 To the nationalistic thinker it appeared desirable that the laborer should be content to perform the menial tasks of society, to render that service which the interests of the nation demanded of him: no stable foundation for England's economic structure would remain were a spirit of independence to pervade the lower classes. Thus said William Temple:

Our manufacturing populace have adopted a notion that as Englishmen they enjoy a birth right privilege of being more free and independent than any country in Europe. . . . The less the manufacturing poor have of it the better for themselves and for the estate. The laboring people should never think themselves independent of their superiors for if a proper subordination is not kept up, riot and confusions will take the place of sobriety and good order.<sup>4</sup>

During the second half of the eighteenth century frequent attempts were made to resist the operation of certain social forces which seemed to portend the emancipation of

<sup>2</sup> Toke, Five Letters (1770), p. 36.

4 William Temple, Essay (1770), p. 56.

<sup>1</sup> Management of the Poor (1767), pp. 42, 44, 45.

<sup>&</sup>lt;sup>8</sup> William Young, Observations (new ed. 1788), p. 20.

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the laborer from his position as the burden bearer of society. These attempts run counter to the modern attitude toward the laborer, aimed as they were in many cases at those very movements most unanimously encouraged by the social reformers of to-day. The spread of education was one of these movements. Modern Utilitarian theory finds nothing objectionable and much that is desirable in the education of the laboring classes; an elevation of the intelligence of the people, it is now believed, can only benefit the nation of which they are members. But the matter was viewed from a different angle by the nationalist writers of the eighteenth century; as the anonymous author of Considerations of the Fatal Effects to a Trading Nation of the Excess of Public Charity said:

The charity school is another universal nursery of idleness; nor is it easy to conceive or invent anything more destructive to the interests and very foundation principles of a nation entirely dependent on its trade and manufactures than the giving an education to the children of the lowest class of her people that will make them contemn those drudgeries for which they were born.

For laborers to "contemn those drudgeries for which they were born" might, we believe to-day, prove a wholesome force inspiring individuals to equip themselves for service to society of a higher and more useful nature than the mere expenditure of muscular energy. But such a frame of mind threatened dire consequences to the Mercantilist's social structure; it promised to undermine the industry of the laborer, in time to reduce the numbers of individuals in this most useful of the social classes; wages then would rise and the wealth of the nation would diminish with the decline of her foreign trade. A writer in 1767 remarked:



These poor children (who learn to write) are taken out of that rank and order wherein providence had placed them and must generally be left either destitute of all employment and pro-

<sup>&</sup>lt;sup>1</sup> Considerations (1763), p. 25.

vision or take the place of many of the children of more industrious parents.... What must be the consequence should this mistaken charity prevail universally? Who will be left to do the labor and drudgery of the world? 1

The educational facilities of the eighteenth century workhouse did not conflict with this attitude toward the laboring classes. As conceived by its advocates, the workhouse was to teach industry, to train the children for service on the same social plane as their parents. To allow one of its projectors to speak for the purpose of the institution, the workhouse was intended to teach "labor not learning."2 These writers were manifestly convinced of the importance of maintaining the status of the laboring classes: their opposition to general education proceeded from their belief that the intellectual training of the masses would prove a disrupting influence tending to promote a facility of advancement in the social scale. Even Ruggles, writing at the end of the century from a humanitarian interest in the condition of the poor, took this attitude of opposition toward their education.8

It is necessary for the modern reader of these opinions to remind himself that the rise of the laborer from a lower to a higher skilled group presented a very different problem

<sup>&</sup>lt;sup>1</sup> Management of the Poor (1767), p. 15. The same writer in another place said: "Whenever either the legislature or private persons employ their care about the children of the poor the principal part of their plan should be to inure them to the lowest and most early labor." *Ibid.*, p. 16.

<sup>&</sup>lt;sup>2</sup> Gentleman's Magazine, 1, p. 59.

<sup>&</sup>lt;sup>3</sup> Thomas Ruggles in his *History of the Poor* (1793), states: "The art of writing is not necessary to a performance of the duties of the poor. . . . There must be in society hewers of wood and drawers of water; if all are good penmen where are those who will contentedly live through a life of toil?" (π, p. 180).

And another writer of the same year took substantially the same position: "Our country wants support from a sound religious sentiment which teaches men submission and contentment.... The education of the poor in this country was not... always accompanied by religious instruction so that education without religion... has made poverty and subordination hateful." Remedies (1793), pp. 5, 6.

to the writer of the eighteenth century than is presented by a similar movement to-day. To them it was of the utmost importance to society that the lowest ranks of the laboring classes be kept as full as possible, for upon the members of this group England relied for that economic power which was to bring her forth victorious from the struggle of nations after world supremacy. Thus the nation's destiny was conditioned upon a numerous population of unskilled laborers, driven by the very competition of numbers to a life of constant industry at minimum wages: "submission" and "contentment" were useful characteristics for such a population and these characteristics could be fostered by a destruction of social ambition amongst its members.

Motives similar to these led social writers to begrudge the laborer his amusements and recreations on the ground that they interfered with the duties of his office. It has been shown by Sydney Webb in his study of English local government that the activity of the Committee for the Reformation of Manners Among the Lower Orders was to a large degree inspired by a desire to enforce the industry of the laboring classes by withdrawing as completely as possible all opportunities to indulge in amusements or recreations which would take them away from their stated tasks. The work of this committee (instituted by Wilberforce in 1787) fell outside of the period we are studying but movements in the same direction had begun earlier in the century among the upper classes. The suppression of the immemorable fair and other "concourses"; laws 2 against "strolling players," "players of interludes" and similar amusements, were evidence of this desire to forbid all interruption of the continuous labor of the people. And during the eighteenth century in the general break-down of

<sup>&</sup>lt;sup>1</sup> Beatrice and Sydney Webb, The County (1906), pp. 406, 542.

<sup>&</sup>lt;sup>2</sup> There was a revivial of the Tudor legislation against "strolling players" and other popular diversions. See 39 Eliz., cap. 4, continued by 1 Jac. 1, cap. 7; these laws were revived in our period by 2 & 3 Anne, cap. 6.

administrative machinery, the Justice of the Peace began more and more to assume the position of local autocrat, and gradually legislative functions were assumed by this local judicial branch of the government — legislative functions not at all contemplated by the Constitution but rendered necessary by the inadequateness of the local governing machinery. Decrees frequently partook of the nature of ordinances or laws appertaining to matters of minor importance in the Justice's district. This assumption of legislative function by the Justices made it possible for them to interfere in the social life of the laboring classes, by decreeing that amusements of various kinds would be punished by them as nuisances. Behind these decrees is frequently to be seen the class opinions we have been examining: the belief,

<sup>1</sup> In 1710, the Gloucester Justices resolved to put down "an unlawful revel or wake usually kept at Coaley in this county upon Sunday next after St. Bartholomew's," and ordered the arrest of any one who "shall presume to assemble together on any such pretense." See Webb, *The County* (1906), pp. 536 f.

At another session in the same year, this court prohibited all "unlawful wakes and revels . . . in these parishes as well as in other in this county."

Similar decrees were issued in 1718 and 1731. Ibid., p. 537.

In 1766, the Kent Justices forbade the Sydenham Fair as a "great encouragement of drunkenness, gaming and other vice, debauchery, and immorality... to the ruin of many apprentices and other young persons." The Middlesex Justices passed many of these rules prohibiting practices of which they disapproved. *Ibid*.

The Gentleman's Magazine for May, 1744, contains the following news item: "The Justices of Peace sitting at Hick's Hall" order the arrest of "all players of interludes and such as play at or encourage unlawful games at the Fair in Tottenham Court" and recommend that the same rule be adopted for the Welsh Fair in Finchbury, Gentleman's Magazine,

xiv, 278.

A writer in 1763 urged that a still further interference in the social amusements of the laboring classes should be made by the courts: "That this court should have the power to levy a heavy fine, by a distress of goods, or in default thereof to inflict severe corporal punishments, on all persons who shall keep skittle-alleys, cock-pits, stages for cudgel playing, and all such places of resort for the common people within the hundred; the court should likewise be empowered to take care of the licenses of ale-houses, and to levy a heavy fine on the master thereof where any journeyman or day laborers shall be found drinking, rioting, or playing at cards or dice." See *Proposition for Improving . . . Manufactures*, p. 61.

namely, that the poor of the country should be obliged to live a life of toil. The fair, the gathering at the alehouse, were denoted as nuisances and suppressed as such, not alone, nor principally, because they bred riot and disturbance but also because they appeared most obviously to relax the industry of the laboring body and entice the workingman away from the "drudgery to which he was born." The social obligations of this burden-bearing class, as viewed by their superiors, appeared to demand that their life should seldom be broken into by frivolity or amusement; thus we find Henry Fielding denouncing "too frequent diversions among the lower kind of people":

Besides the actual expense in attending these places of pleasure, there is a loss of time and neglect of business.... To be born for no other purpose than to consume the fruits of the earth is the privilege of very few. The greater part of mankind must sweat hard to produce them.... Six days shalt thou labor was the positive command of God.<sup>1</sup>

These words of Fielding's have a Puritanical sound, but the theory behind them is disclosed when the writer says: "while I am recommending some restraint... I confine myself to the lower order of the people... to the upper part of mankind, time is an enemy.... Their chief labor is to kill it"; but the laborer could not be allowed to indulge in this pastime, "since all such profusion must be repaired at the cost of the public." <sup>2</sup>

Considering his general attitude toward the laborer, it is not surprising that William Temple should advert to the social injury of those amusements which tended to break in upon the toil of the lower classes. "Some regulation," he said, "may be necessary even for the diversions of the industrious poor." That this regulation was freely applied, we may conclude from the results of Webb's study referred to above.<sup>4</sup>

<sup>&</sup>lt;sup>1</sup> Henry Fielding, Enquiry (1751), pp. 6-7.

<sup>&</sup>lt;sup>2</sup> *Ibid.*, pp. 10–11.

<sup>&</sup>lt;sup>3</sup> William Temple, Essay (1770), p. 35.

<sup>4</sup> See above, p. 150.

The same motive of enforcing the industry of the people and increasing and cheapening the labor supply led some writers to condemn those expenditures which were not demanded by the traditional standard of the laborer's class. From this point of view, Thomas Alcock attacked the pernicious expenses of the laborer, which he classified as:

1; snuff-taking.

2; tea drinking.
3; ribbons, ruffles, silks.

4: dram drinking.

Have not extravagance in these articles contributed greatly to make labor and the servant's wages run so high.... From whence follows a great loss of hands to our manufacturers and agriculture; extravagant high wages and great expense of labor, and obstruction and diminution of our trade at home and abroad.

. A sumptuary law would be of service to the poor themselves as well as to the nation in general.

Now, modern labor theory would suggest that one correction of the hopeless indolence of the English laborer at this time would have been a multiplication of his wants. To spur man to increased industry, it is always essential that he feel the pressure of unsatisfied desires; hence it would seem that the unusual "expenses" decried by Alcock should rather have been hailed as a promise of awakened energy among the laborers. The attitude of this writer was shaped to a large extent, no doubt, by the fact that the non-essentials of which he wrote were purchased in part by money given in charity and intended to relieve absolute distress; but not entirely so, for the opinion obtained among writers of like mind that social ends would be served by reducing the wants of the poor to a minimum consistent with healthy physical existence. The ruling opinion that wages should be reduced to a minimum of subsistence, combined with the labor theory of value which received general acceptance during the period, gave rise to a desire to reduce the laborer's standard of life, or, to be more exact, to restrain its

<sup>&</sup>lt;sup>1</sup> Thomas Alcock, Observations (1752), pp. 45 ff.

tendency to expand and embrace new wants. For the lower the standard, the lower might the money wages be; and the lower the wages, the cheaper the finished products in the markets of the world. England's foreign trade, then, seemed to require that the laborer be kept within the restraining bounds of traditionalism. Arthur Young paused in the midst of the record of his Eastern Tour to expound a theory of wants:

What is the object in view? Is it to raise rates and labor and suit provisions indiscriminately to all the poor, so they may live idle as well as industrious lives? Or is it to reduce the necessities of the poor to such a balance with their means of procuring them, that they are comfortable and happy who have been industrious? If the latter is not the point, I am perfectly in the dark.<sup>1</sup>

Wants, I allow, are numerous, but what name are we to give to those that are voluntarily embraced in order for indulgence in tea and sugar?  $^2$ 

It is apparent that to this writer, wants "voluntarily embraced" signified the approach of rising wages or dissatisfaction and lessened industry among the laboring population under existing conditions, either of which events would be destructive of national prosperity.

The solicitude of the social observers of the eighteenth century over the increased consumption of tea and sugar appears almost ludicrous to the modern mind. It is in part to be accounted for by the fact that the beverage was seriously believed to be injurious to the health of the drinker; in part, by the natural impatience of the heavily taxed rate-payers with the unnecessary extravagance of the pauper; but largely, also, by the conviction that the habit of tea-drinking was wasteful of time and destructive of industry among a class of people whose duty was to labor continuously. Evidences of these different opinions are to be found in the columns of the Gentleman's Magazine:

<sup>&</sup>lt;sup>1</sup> Arthur Young, Eastern Tour (1771), iv, p. 354. <sup>2</sup> Ibid., iv, p. 355.

The poor people's children which are bred with it as they really are in the cities and towns, are only fit for footmen and chambermaids. May not the ill diet be a great cause of the want we have had of laboring servants, the rise of their wages and the prodigality which the common servants have shown within these last forty years? <sup>1</sup>

Tea is a grievance which the wives of the laboring poor now drink in great form twice a day, many of them three times, it takes up a great deal of their time unnecessarily, . . . it is very expensive.<sup>2</sup>

A few of the many attacks upon the "evil" from the pen of Arthur Young may be selected as a further illustration of the opinion:

Idleness is the chief employment of the women and children; all drink tea and fly to the parish for relief at the very time that even a woman for washing is not to be had. By many accounts I received of the poor, I apprehend the rates are burdened for spreading laziness, drunkenness, tea drinking, and debauchery ... the general effect of them, indeed, all over the kingdom.<sup>3</sup>

## Again:

I asked a little farmer... what was the employment of the laborer's wives and children. Drinking tea, he replied, and I cannot but remark that I found the custom almost universal.<sup>4</sup>

## Again:

The employment of the women and children is drinking tea with white bread and butter twice a day; an extremity that may surely be called luxury in excess! No wonder rates are doubled.<sup>5</sup>

This opposition to the improvement of the laborer's life conditions proceeded, apparently, from a like frame of

- <sup>1</sup> Gentleman's Magazine, VII, p. 213. <sup>2</sup> Ibid., XXVIII, p. 123.
- <sup>3</sup> Northern Tour (1770), III, p. 317.
- 4 Arthur Young, Southern Tour (1769, 2d ed.), p. 257.
- <sup>5</sup> Arthur Young, Eastern Tour (1771), 1, p. 306.

Further discussion of these "excessive luxuries" of the laborer may be found in the following: The Gentleman's Magazine, XXVIII, p. 489; J. F., Golden Fleece (1679), pp. 11, 12; Walter Harte, Essays on Husbandry, (1764), p. 166; Jonas Hanway, Letters (1767), pp. 179-85; John McFarlan, Inquiry (1782), p. 28; Management of the Poor (1767) p. 26.

mind to that which gave rise to the eighteenth-century workhouse, the movement for free immigration and the demand for reduced real wages. In all its many aspects, the labor theory of the day gave evidence that the thought of the theorist was tinctured by an element of bitterness, a feeling of resentment against the lower orders, for the immoral conflict of a people who permitted evil habits to conflict with the performance of a duty vitally important to the welfare of the state.

## CHAPTER VII

## THEORIES OF WAGES

THE labor doctrines of the period were noticeably lacking in attempts to formulate the laws governing the income of the laboring classes, a fact to be explained by referring to the concept of national wealth which dominated the economic thinking of the writers. The view of the wealth of the nation as an aggregate did not present problems of the distribution of that wealth among individuals, but brought the inquiry to a close with the determination of the laws which regulated the ebb and flow of the total riches of the country. Furthermore it is necessary that we bear in mind, that the rates of wages actually paid in England at the time were supposedly determined by the Justices' Assessments, and that, though the rating of wages had in large measure been allowed to die out, preceding centuries of more or less rigid wages regulation had prepared the common mind for an uncriticizing acceptance of the opinion that the income of the laboring classes must be governed by state action. So long as wages were the object of consistent regulation, and before there was any thought that competition could operate as an impartially just distributive force, the principles appealed to in the discussion of wages would be principles of social justice and national expediency, not those of economic theory; the problem would be to decide how much ought to be paid in justice to the laboring man and for the national well-being, and not how much would be paid under the operation of a given set of conditions. In this regard, the language used by the writers of the time was significant of their view point; though there was much said of what wages should be, there was little, and this little was strikingly indefinite, upon the subject of what they would be.

In this period of economic transition, public control was gradually being superseded in many lines of economic activity by the regulating power of competition. The principles of "just price" had been abandoned in favor of the action of demand and supply in the market, and the doctrine that values should be determined by the unrestricted operation of competitive forces had won the consent of the best minds; powerful voices were raised in favor of non-regulation of the interest rate; arbitrary and fictitious valuations of the coinage by the government had been condemned as futile or injurious; governmental interference in domestic trade, especially in the all-important trade of food-stuffs, was dying out gradually, its parting struggles being recorded by the losing fight waged during the eighteenth century against the "forestaller" and "regrater" by the champions of traditionalism. Increasing liberalism was the tendency; the old order of strict governmental regulation of England's domestic economy was changing. This movement in the direction of economic liberalism can be attributed, it is believed, to no single factor so powerful as the revolution which had been and was taking place in the alignment of England's social classes. The rise of the trading classes to a position of dominance in the social and political structure gave the widest possible diffusion to the spirit of capitalism which had been generated within this group and that spirit proved then, as always, inimicable to the policies of restriction and regulation which had flourished in an earlier day. In conformity with this general tendency, the rating of wages by the Justices was quietly dving out,2 but in

<sup>&</sup>lt;sup>1</sup> The breakdown of regulation is forcibly indicated by the decline of the monopolistic and restrictive powers of the old Gilds and Companies. See Cunningham, *Modern Times* (1892), pp. 352 ff.

<sup>&</sup>lt;sup>2</sup> The only records of assessments which remain to this day are those made for Essex in 1661; Suffolk, in 1682; Warwickshire in 1684; Bucks in 1688; Devonshire in 1714; Lancashire in 1725; Gloucestershire in 1725; and Kent in 1732.

regard to wages no champion of the laissez faire policy appeared; the interest of the dominant classes remained on the side of regulation, and the writers of the time continued to exhibit the habit of mind formed when the rating of wages was a matter of course. The common conclusion, therefore, of investigations in the subject of wages was that the rates were either "too high" or "too low," or that they ought to be determined by certain arbitrary rules. The only approach to a theory of wages that can be drawn from the writings consists in the almost universal agreement that the cost of subsistence formed the norm to which the rate of wages ought to be adjusted. This we may denominate a "subsistence-cost theory of wages," especially since direct inference may be drawn from their discussion of practical problems — particularly taxation — that many writers believed the rate of wages actually obtaining in their day to be a subsistence wage.

Opinions as to what wages "ought to be" were governed by the widely accepted wages-cost theory of value, so much so that any attempt to understand the attitude of the writers toward wages must start from a comprehension of that theory. And here it is necessary to proceed with caution, else the significance of the term "wages-cost" will prove misleading. In this, as in other fields of economic inquiry, no highly refined system of theoretical analysis may be expected; the term was used with a vague connotation which frequently resulted in ambiguity and sometimes in inconsistency. Some advance there was, to be sure, in theoretical analysis of the subject of values, but this advance had slight influence upon the notions which filled the common mind, these notions being the result

<sup>2</sup> See H. R. Sewall, Theory of Value Before Adam Smith, Publications, Am. Econ. Ass. (3d series, 1901), II, pp. 633-766.

<sup>&</sup>lt;sup>1</sup> Contrast, for example, the permission given by statute to employers of labor to enter into trade combinations (17 Geo. III, cap. 11; 24 Geo. III, cap. 3) with the prohibition of such freedom among the laborers (7 Geo. I, cap. 13; 12 Geo. I, cap. 34; 22 Geo. II, cap. 27).

more of experience and empirical reasoning, than of theoretical analysis. The conclusions reached by men of theoretical bent partly confirmed, partly contradicted this naïve opinion that value was determined by wages-cost. Rice Vaughan, in his Discourse on Coin and Coinage,1 made some progress in the analysis of demand, by showing the relationship of utility to value; 2 market values, he thought, fluctuated as between times and places because of the accidental relationships of demand and supply 3 and this difference in the selling value of commodities of like utility, led the author to make the original division of value into "intrinsical" and "extrinsical" which was to become a commonplace in economic thought at a later day. Proceeding to search out a constant measure of value for different places and times, the writer made an approach to a statement of the wages-cost theory of value:

There is only one thing from whence we may certainly track out the prices and which carries with it a constant resultant of the prices of all other things which are necessary for a man's life; and that is the price of laborer's and servant's wages, especially of the meaner sort.<sup>4</sup>

But it would appear from a later discussion that wages were made the governor of value by this writer only because they, of all prices, had proved the most stable.<sup>5</sup> Vaughan, then, was making use of wages as a standard of measure rather than as a determinant of the values of commodities.

John Locke adopted the distinction between "intrinsic" and "extrinsic" or "marketable" values, founding the former upon utility and the latter upon the relation of supply to "vent" 6 and John Law propounded the same

<sup>1</sup> Published 1655, but written 1623.

Rice Vaughan, Discourse (1655), p. 19.
 Ibid., p. 107.
 Ibid., p. 117.

<sup>&</sup>lt;sup>2</sup> "Use and delight . . . are the true causes whereby all things have value and price." Discourse, p. 19.

<sup>&</sup>lt;sup>6</sup> John Locke, Works (1726), p. 20. "The intrinsic natural worth of

ideas in very similar language.1 But Locke contributed greatly to the establishment of the labor theory of market values in another place, where, in seeking for the sources of wealth and finding them in labor and land, he wrote: "Labor makes the greatest part of the value of the things we enjoy in this world," and stated, in applying this truth to particular instances, "bread, wine and cloth are things of daily use, and great plenty; yet notwithstanding whatever bread is worth more than acorns, wine more than water, or cloth and silk than leaves, skins, or moss, that is wholly owing to labor and industry." 2 The labor intended by Locke in this statement included all expenditure of human effort necessary to the production of the raw materials, the construction of machinery and the working up of the finished product; in comparison with this mass of labor, he said, "the ground which produces the materials is scarce to be reckoned in"; 3 he believed that land, one of his sources of wealth, could well be disregarded, and of his sources of wearth, could went that we might conclude, "it is labor that puts the difference of value on everything." 4

Sir William Petty conducted his analysis of value along similar lines. The origin of wealth, he, like Locke, believed to be land and labor; <sup>5</sup> and, again like Locke, he thought that of these by far the more important was labor. He drew the same distinction between intrinsic and extrinsic values, finding the cause of the former in the utility of the goods and the cause of the latter in the relation of supply

anything consists in its fitness to supply the necessities or serve the conveniences of human life; and the more necessary it is to our well-being the greater is its worth. . . . The marketable value of any assigned quantity of two or more commodities, are pro hic and nunc equal, when they will exchange for one another."

<sup>1</sup> John Law, Money and Trade (1705), p. 12.

<sup>2</sup> John Locke, Essay on Civil Government (1672), p. 208.

<sup>3</sup> Ibid., p. 209.

4 Ibid., p. 210. Locke thought, "ninety-nine hundredths" of the value of commodities "are wholly to be put on the account of labor."

<sup>5</sup> Sir William Petty, Political Arithmetic, 1690 (Economic Writings, Hull ed., 1899), p. 181.

to demand.<sup>1</sup> It was in regard to natural or intrinsic values that Petty derived a theory of measurement in labor units, these units being again resolved into more fundamental terms, so that the final unit of measurement, as he decided it, was the food necessary to support one day of labor.<sup>2</sup> In the following century, Bishop Berkeley asserted that labor was the cause of wealth, though the market fluctuations of value were regulated by the relations of demand and supply.<sup>3</sup> And the philosopher, Hume, also stressed the importance of labor as the source of wealth.<sup>4</sup>

The writers quoted give us no exact statement of the relation of wages to value, but another author of their time made a close approach to a formulation of the wages-cost theory. This is Cantillon, whose book, Essai sur la Nature du Commerce en Générale, was published in London in 1735. In chapter 10 of this treatise, where the author discussed the causes of the intrinsic and market values of wealth, we find the statement that the source of the former is land and labor and the determinant of the latter, the relation of supply to demand. The intrinsic value of manufactured commodities, he believed, was predominately the result of labor expended upon them, while raw produce had an intrinsic value chiefly attributable to land. Thus far, Cantillon's analysis was but a repetition of what had been said before, but he went further and concluded that the market values of goods would in the long run and under normal conditions tend to equal their intrinsic values, or, in other words, to conform to the labor cost of production. In applying this truth to concrete examples he translated his concept of "labor-cost" into "wages-cost," with wages equivalent to the means of subsistence. Assuming that a

<sup>&</sup>lt;sup>1</sup> William Petty, Taxes and Contributions (1667).

<sup>&</sup>lt;sup>2</sup> William Petty, Political Anatomy of Ireland, 1691 (Economic Writings, Hull, 1899 ed.), 1, p. 181.

<sup>&</sup>lt;sup>3</sup> George Berkeley, The Querist (1755 ed.), Questions 4. 24.

<sup>&</sup>lt;sup>4</sup> David Hume, Political Discourses (1752 ed.), chap. I, "Commerce," passim.

pound of fine Brussels lace would consume four years of labor by one man in the making, he said: "One sees that the price which is given for this lace is sufficient to pay for the subsistence of one person for four years, and to pay in addition the profits of all undertakers who deal in it." <sup>1</sup> The selling prices of other commodities, he thought, were made up more or less of the wages-cost (reckoning wages at the cost of the means of subsistence) as the quantity and quality of labor consumed in making them was greater or smaller.<sup>2</sup>

It would be erroneous to conclude that any of the writers we have considered had developed a clear and accurate conception of the relation of the labor cost of production to the selling prices of commodities in the market. Their work marks an advance in economic theory only in the sense that it shows a more penetrating analysis of the economic forces at work in society than did the notions of just price which preceded them; they indicate a tendency to investigate the forces lying behind the demand for and supply of goods in the market, and their discussion of the factors of production on the supply side leads them to emphasize the importance of labor. None of them, with the exception of Cantillon, makes the attempt of proportioning the selling price of goods to the amounts of labor used in their production, without which attempt, the statement of a labor theory of value is impossible. But their rather vague statements of the dependence of "intrinsic" or "natural" values upon labor cost, as they undoubtedly show the influence of the theory of just-price which had died out, also form an historical precedent for the labor-value theories of the socialists who were to come.3

<sup>&</sup>lt;sup>1</sup> Essai sur la Nature du Commerce en Générale (1736), chap. 10, passim.

<sup>&</sup>lt;sup>2</sup> Ibid. The reasoning and even the illustrations used by this writer were repeated by Malachy Postlethwayte. Compare the latter's book, Great Britain's True System (1757), pp. 154 ff., with chapter 10 of the Essai.

<sup>&</sup>lt;sup>3</sup> Compare W. Liebknecht, Zur Geschichte der Werttheorie in England (1902), chap. 1.

Upon the non-critical thought of their own period they do not seem to have exerted great influence, unless, indeed, their treatment of labor as a productive factor may have given support to the wages-cost theory of value in which the less theoretical writers of the time agreed. It is the latter group which must be taken as representative of the social mind of England at this time.

The term "labor-cost," as used inexactly by these less scientific writers, signified little more than the wages expense of the enterpriser under whose direction goods were prepared for the market by the laborer. It appeared to them that this expense determined the price at which the enterpriser could afford to supply the market, the cost of raw materials being either disregarded because of its insignificance in comparison with the subsequent increase in value of the product in passing through the hands of the artisan, or being itself resolvable into the expenses involved in obtaining the raw material from the soil. The length of time or the degree of irksomeness of the labor required in the production of a given commodity, did not figure with them as a determinant of its price; it was sufficient to know at what expense of wage payments the necessary services of production and transportation were obtained. Now so far as the cottage system of manufacture obtained in the contemporary organization of production, it is correct to say that the "spread" between the cost of the raw materials and the price of the finished product in the hands of the merchant did coincide with the wages receipts of the cottage laborer. Under such a system of production, a rise or fall in the price at which goods could be bought for export, could it be granted that the price of raw materials remained stable, would represent a corresponding change in money wages. The costs of commodities to the foreign trader who, filling the rôle of the modern enterpriser, caused commodities to be produced for export,

<sup>&</sup>lt;sup>1</sup> For a review of the facts upon this point, see Appendix I.

were not complicated by charges due to capital implements employed and thus did the more closely coincide with the wages earned by the laboring manufacturers in the industry. Hence by a confusion of thought, which reversed cause and effect, it was made to appear that this wages-cost determined the cost of production for the nation of goods in the export trade. This was a typically "shopkeeping" point of view, the point of view of the private enterpriser whose costs of production are resolvable into money expenses, and whose goods must be sold at a minimum price at least high enough to return this expense. It is needless to state that the social cost, or the cost to the nation considered as an isolated social body, cannot be determined by a simple reference to the money expenses of the enterpriser for the sufficient reason that society does not buy its goods but produces them with an expenditure of productive effort; the effort expenditure may be high while the money expenses of the enterpriser are low; such would be the case, for instance, if the industry were supplied with pauper labor whose low wages were increased by allowances from the poor rates. Since there were many examples of this condition in England at the time, the money expenses of the enterpriser cannot be accepted as a correct index to the social cost of production. However, there is ample proof that this index, whether reliable or not, was adopted by the social observers of the period without perception of its weaknesses, for it was a common opinion that the cost of production was determined by the wages receipts of the domestic artisan.

Moreover, the writers of the time believed that the selling price of exported goods in the foreign market would be regulated by the wages expense of producing them at home. There is evidence that as the eighteenth century passed, the English merchant experienced keener and ever keener competition from foreign trade rivals, that his prices were repeatedly underbid, and that he was compelled to subject

his costs to the closest scrutiny in order, if possible, to afford his commodity cheaper. The control over markets which had long been in British hands was gradually weakening, a result, in large measure, of the conscious imitation by the Dutch and French statesmen of English wares whose priority in the markets of the world had established them in a position of high repute among foreign buyers. It was in the cloth trade that this competition was most apparent: 1 English commercial supremacy was founded upon her success in this trade, a success attributable to her monopoly of one large source of raw material (wool) and her early perfection of the technique of production. As soon as the processes of production were known to foreign competitors and all attempts to shut off the supply of wool from France and Holland proved ineffectual, the English merchant found his only hope of retaining control of the markets to lie in his ability to undersell; and he truthfully concluded that his ability depended upon the cheapness and effectiveness of the labor supply, since all competitors were more or less on a par in regard to the cost of raw materials and the possession of trade secrets. Competition in the silk manufacture illustrated even more clearly the importance of the labor expense of the enterpriser. The raw material for this trade could be obtained by France and England at about equal cost; the technique of production had, thanks to the imitation of English manufacturers, became known to both competitors, ability

The extent to which the Turkey trade was undermined was disclosed in Tucker's pamphlet, Reflections on the Expediency of Opening the Trade to Turkey (1753). The writer laid the blame on the inefficiency of the English Company.

See, further, Bischoff, Comprehensive History (1848), I, pp. 72 f., for the effect of competition in the woolen trade; and for contemporary reference to this condition, William Temple quoted above, p. 104, note 1, and the writer's reviews below, pp. 172 f.

<sup>&</sup>lt;sup>1</sup> See Cunningham, Modern Times (1892), p. 340, for an account of the growing severity of foreign competition in the cloth trade. Also Hewins, English Trade and Finance (1892), p. 47.

to undersell, therefore, depended upon the relative costs of working up the raw materials, or, as the English merchant concluded, upon the rates of wages paid by the competitors. The irreducible minimum price at which the merchant could afford to sell any commodity in the foreign market must be sufficiently high to return the expenses of production, and as the increasing bitterness of foreign competition forced the English trader to struggle to retain his place in the trade, this minimum became the norm toward which the actual selling price tended. Under these conditions, students of trade conditions in England were led to believe that the price of English wares in competitive markets depended upon the wages received by domestic artisans.

It should be repeated that according to the economic thought of the time the ability of the English merchant to compete with foreign trade rivals appeared important from national considerations as well as for its effect on the personal profit of the exporter. If the merchant could not afford to sell his goods at the prices established by competition because of his higher wages-cost, neither could the nation afford him freedom to discontinue the trade; since national enrichment depended upon the volume of exports, the trade must go on even if the state were required to reconstruct her domestic economy to accomplish that end. It is true that the social and political dominance of the trading classes enabled them to mould public opinion to their own private advantage, but the ease with which disinterested social observers were convinced that the interest of the nation depended upon the prosperity of her foreign merchants can be explained only by their acceptance of the balance-of-trade theory of national wealth. The case was restated by Sir William Mildmay, writing in 1765:

Trade takes its rise from numbers of people employed in cultivating and improving the first production of nature for common use and conveniency; from whence all nations, according to their

skill and industry and the different effects of their soil and climate, endeavor to support their own interest by mutually supplying each other with what the one wants and the other has in too great abundance; and when the value of what is exported and sold abroad is greater than the value of what is imported and consumed at home, the difference upon the balance must be returned in money, the circulation of which, and the employment of the people, conjointly compose the national wealth of every country.<sup>1</sup>

With the national interest in exportation proved by logic such as this, concern might naturally be expressed over any cause which threatened to reduce the competing power of the foreign trader.

Examples of the naïve opinion that the values of goods in the export trade were determined by the wages-costs of production in England run through the literature of the period. Writing in 1669, Thomas Manly attributed the decline in England's export trade to the high rates of wages obtaining at that time. It will be recalled that this writer believed high wages to cause indolence among the laboring population; 2 hence he thought that the current rates constituted a double burden upon the nation, in that they at the same time lowered the amount of goods produced and raised the price of those bought for export. His conclusion was that the wages should be "subdued" though he gave no definite statement as to how far the reduction should go or by what norm wages should be regulated.3 We may, perhaps, infer that the writer would have acknowledged a demand and supply theory of wages, since he laid their excessive height to the charge of a scarcity of laborers; but much more safely may we conclude that he would have condemned as unjust any proposal to allow wages to be regulated by the unrestricted forces of competition. The scarcity of laborers might ac-

<sup>&</sup>lt;sup>1</sup> Sir William Mildmay, Laws and Policy of England (1765), p. 3.

<sup>&</sup>lt;sup>2</sup> See above, p. 131.

<sup>3</sup> Thomas Manly, Usurie at Six per Cent (1669), pp. 19, 20.

count for, but it certainly did not justify, the high rates of wages, for the question as Manly viewed it was not one of theory but of public policy. And so it was viewed by other writers in Manly's time, for in 1673 we find an anonymous author condemning the practice of allowing wages to be carried to a high level by supply and demand:

Handicraftmen's wages which they exact for their work are greatly mischievous, not only to every man who hath occasion to use them . . . but it is destructive to trade, and hinders the consumption of our manufactures by foreigners.<sup>2</sup>

John Houghton, who agreed with Manly as to the demoralizing effect of high wages, was led by his acceptance of the wages theory of value to assert in similar language the utility of raising food prices in order to increase the supply and lower the price of labor; he believed that by this means, their provisions "will be dearer to them whereby they will procure more manufactures to sell cheaper." In the system of cottage manufacture which prevailed in his day, high food prices might well have had the effect which Houghton predicted; harder and more consistent industry might be inspired by rigorous life conditions; if so, the increased product of the loom or spinning wheel would cause a fall in prices paid by the export merchant and the desired end of "cheaper manufactures" would be attained.

Neither of these writers advanced a definite theory of wages, but others contemporary with them showed that the wages theory of value was intertwined in their minds with a notion, more or less vague, that the wages of the laborer would conform to the cost of the minimum of subsistence. Thus Sir Walter Harris, who in the course of his study of the economic conditions of Ireland, urged the expediency of a government policy stimulating manu-

<sup>&</sup>lt;sup>1</sup> Thomas Manly, Usurie at Six per Cent (1669), pp. 19, 20.

<sup>&</sup>lt;sup>2</sup> The Grand Concern (1673), p. 54.

<sup>&</sup>lt;sup>3</sup> John Houghton, Collection of Letters (1681), p. 184.

factures in that country for the purpose of supplanting the French goods then being imported, said of the Irish:

They are a people that live on a coarser and cheaper diet nearer the manner of the French than the English do or can; and therefore can afford their work cheaper, which is a particular of great weight in an affair of this nature. For unless the commodity can be made at least as cheap as we have it from France, it will be brought thence in spite of all prohibitions.<sup>1</sup>

The terms used by Harris are typically indefinite and vague, but certain inferences may be drawn from the quotation. That wages would correspond to the cost of subsistence was the writer's belief, as indicated by the confidence with which he assumed that because the Irish could "afford" to "work cheaper" they would certainly do so: while the transition which he makes without comment from the statement of low wages to that of cheap commodities showed an unreasoned acceptance of the wages-cost theory of value.2 But, though he believed that the wages rate would be regulated by the cost of living. Harris allowed the standard of life to affect this cost and hence the rate of wages; for it was the "coarser and cheaper" diet of the Irish which made possible lower wages in that country, a diet which the English workman would not adopt, though a similarly low standard obtained in France.

It may be inferred from a statement made in Josiah Child's New Discourse that he, like Harris, had adopted

<sup>1</sup> Sir Walter Harris, Remarks on Ireland (1691), p. 71.

<sup>&</sup>lt;sup>2</sup> Charles Davenant made use of the same facts in regard to Ireland to establish a conclusion opposite to that reached by Harris regarding the advisability of setting the people in that country to work in manufactures. "'T is an undeniable truth," he said, "that the common provision of life is one half cheaper there than here. 'T is likewise as plain . . . these advantages of living must enable them to afford the same commodity cheaper than we can do"; hence driving the English workman out of employment. Essay on . . . the Balance of Trade (1699), p. 123. The implication of a subsistence theory of wages and a wages theory of value runs through this statement.

without much thought, a subsistence theory of wages. "Our fuel and victual," he said, "is cheaper in remote parts from London and consequently our manufacturers can do work cheaper than the Dutch." But Child believed that it was only in the long run that wages would conform to the cost of living, for temporary fluctuations would arise through a scarcity of laborers or an unusual demand for working hands, either of which influences would raise wages until the influx of people lowered them again.2 John Cary believed that wages conformed exactly to the cost of the means of subsistence; this writer stood out against the prevalent opinion that lower wages would result in a national gain, basing his belief upon the fact that the English laborer was not earning more than enough to provide his necessaries of life, and that so long as this remained true, wages could not be lowered without first reducing the price of food products; such a policy, he asserted, would cripple the landed interest.3 This writer formulated in general terms and with sufficient clearness the subsistence theory of wages: "Nor can the people of England live on such low wages as they do in other countries; for we must consider that wages bear a rate in all countries according to the price of provisions." 4

The rather vague belief that wages would equal the cost of living, a belief which formed a part of the economic thinking of the time, was not often stated with such conciseness as in this quotation from Cary. Yet the notion did at times appear in clear-cut expression indicating that attempts to criticize the ideas afloat in the thought life of

<sup>&</sup>lt;sup>1</sup> Sir Josiah Child, New Discourse (1693), preface.

<sup>&</sup>lt;sup>2</sup> Ibid. "Such as is our employment for people, so many will our people be,... and if by reason of the accommodation of living in our foreign plantations, we have evacuated more of our people than we should have done... that decrease will procure its own remedy; for want of people would procure greater wages; and greater wages would procure as a supply of people without the charge of breeding them" (p. 174).

<sup>3</sup> John Cary, State of England (1695), p. 145.

<sup>4</sup> Ibid, p. 145.

the period sometimes resulted in a dogmatic statement of the subsistence theory of wages. Thus in a speech delivered in Parliament, and reported through the pages of the Gentleman's Magazine in 1737, the doctrine was asserted dogmatically:

As the original materials of all commodities are to be got by the people of all countries at pretty near the same price, the difference between the price of such commodities when worked up in one country and the price when worked up in another must always depend upon the wages of labor. . . . But in all countries . . . wages . . . must depend on the price of those provisions which are necessary for their convenient support; I say, Sir, for their convenient support, for even the poorest workmen must and will have some of the conveniences of life and that country where the usual price of labor affords the laborers most of the conveniences of life will always come to have the greatest number of workmen in all sorts of manufacture.

Here we have in clear form an expression of the interrelation of the theories of wages and value and an indication of the public interest in each. The speaker, like others we have quoted, believed that the subsistence rate of wages of which he spoke was to some extent influenced by the standard of living; he did not attempt to define what constituted subsistence, though it is evident that to his mind the term connoted more than the bare essentials of physical existence.

The periods of high prices which recurred during the century carrying the cost of the minimum of subsistence out of the reach of the laborer's money wages, making it necessary to increase the rate of wages, appeared to contemporary observers who held a subsistence theory of wages to portend little less than national calamity. Thus said Malachy Postlethwayte in 1757:

When the general price of labor soars above its natural standard and thereby an artificial value is superadded to our produce and

<sup>1</sup> Gentleman's Magazine, VII, p. 776.

<sup>&</sup>lt;sup>2</sup> For facts regarding wages paid during this period, see Appendix I.

manufactures, beyond that which what our rivals do, we must lose our dominion in trade and our ruin cannot be far distant.<sup>1</sup>

In the following decade, during another period of high prices, numerous investigations of the causes and the social effects of a scarcity of food products appeared; one of these, appearing anonymously but attributed to Josiah Tucker, showed the interrelation of the subsistence theory of wages and the wages theory of value:

The wages of the working hand are always high or low as the necessities of life are dear or cheap; but the value of manufactures in every country depends very much upon the price of labor, and that country will always carry on the greatest trade whose manufactures, ceteris paribus, are cheapest.<sup>2</sup>

David Hume had said that "the English feel some disadvantage in foreign trade by the high price of labor" though he did not believe that the disadvantage was as serious as his contemporaries asserted, since, in his opinion, the high price of labor was "in part the effect of the riches of their artisans," 4 and "foreign trade is not the most material circumstance, 't is not to be put in competition with the happiness of so many millions." <sup>5</sup> The optimism of the great philosopher was not, however, echoed by the other writers of his time who had marked the same circumstance regarding wages. For instance, the anonymous

<sup>1</sup> Great Britain's True System (1757), p. 158. What this writer meant by a "natural rate of wages" is not very clear. He said, however, "the price of a day's labor will be at lowest a day's subsistence. Where food and clothing, the necessaries of the day are purchased for little, there wages will be low." Ibid., p. 144.

<sup>2</sup> The Causes of the Dearness of Provisions in England (1766), p. 45. If this book is really Tucker's, the writer contradicts here a statement which he had made in an earlier work regarding the social utility of high wages. In his Elements of Commerce (1755), Tucker called the opinion "that rival nations cannot all flourish at the same time; that poor nations will draw trade from rich; that low wages create cheap manufactures" a "vulgar error." See marginal note to part v, of the Elements.



<sup>&</sup>lt;sup>3</sup> David Hume, Political Discourses (1752 ed.), p. 18.

<sup>4</sup> Ibid., p. 18. 5 Ibid., p. 19.

writer of *Propositions for Improving Manufactures* took the opposite position as to the utility of high wages:

The first and great disadvantage is that of being undersold by the French and Dutch in our principal manufactured goods. This is a terrible wound to our commerce, and without a remedy is speedily applied to the same, it must in the end prove fatal. At Lisbon, Brazil, Turkey, Spanish, German and Italian markets we are undersold considerably in one of the staple commodities of our own country; and what is still worse our merchants and traders, instead of endeavoring to prevent this growing evil, assert the impossibility thereof, while the price of labor is so extravagantly high in this kingdom.... <sup>1</sup>

## And in another place:

The high price of labor is a fatal stab to the trade and manufactures of this country; and without the greatest care is taken, it will in time be attended with very dreadful consequences.<sup>2</sup>

A few years later we find Nathaniel Forster reiterating the opinion that the handicap of high wages was disqualifying England to cope with the strenuous competition of foreign rivals:

I am never surprised to hear of the decay of any manufactures in this kingdom. I am rather surprised that they exist at all under so many circumstances of disadvantage. The French give forty per cent more for our wool than our manufacturers, and yet are able to undersell them, owing entirely to the cheapness of labor in France. And yet I believe no mortal will say that the laborer's wages in this manufacture are at present too high in England compared with the price of provisions and all the necessities of life.<sup>3</sup>

Frequent quotations from the book published by William Temple in 1770 have familiarized us with the position taken by that writer. Temple assumed that the value of goods in the foreign market would be determined by the wage-rate in England and that the prevailing idleness of

<sup>&</sup>lt;sup>1</sup> Propositions for Improving Manufactures (1763), pp. 11-12.

<sup>&</sup>lt;sup>2</sup> *Ibid.*, p. 21.

<sup>&</sup>lt;sup>3</sup> Nathaniel Forster, An Enquiry into the Causes of ... High Prices (1767), p. 15, footnote.

the English laborer might prove the ruin of the country, for with less work done, wages would advance and the prices of manufactured goods in the markets abroad would increase with them, thus diminishing the total exports of the country. He said:

The French are able to undersell us in foreign markets... their labor is so much cheaper in France than in England. Indeed, when we consider how much labor enters into the value of a commodity, that it frequently advances it from five to fifty times the first cost of the raw materials, we must readily own that a small advance in the price of labor is of great consequence to the trade of the state. In some branches labor advances the commodity to one thousand times the cost of the original materials; for instance, the manufacture of flax into lace.... The price of labor in England has been the principal cause of the decline of our trade to Turkey, Spain and Italy in which states we have been undersold by the French.<sup>1</sup>

John Powell agreed with Temple in this statement of the injurious effect of high wages, though he took an opposite view in regard to the utility of high food prices. This writer, in a book which appeared two years after Temple's, asserted:

The balance-of-trade is against us in almost every country in Europe, because those countries who rival us in manufactures and commerce by living cheaper and paying smaller wages, undersell us in most of the foreign markets.

Our governors should, therefore, use their warmest endeavors to find out effectual methods to reduce the prices of provisions. Such a measure would be an effectual means of relieving the distresses of our fellow creatures.<sup>2</sup>

Both Temple and Powell evidently believed in the wages theory of value; their disagreement as to the utility of high food prices arose from the fact that, whereas Powell thought the existing rate of wages was a subsistence rate, Temple held that it "ought to be" a subsistence rate but was, as a matter of fact, much higher. It was not easy for

<sup>&</sup>lt;sup>1</sup> William Temple, An Essay (1770), pp. 66, 67.

<sup>&</sup>lt;sup>2</sup> John Powell, View of Real Grievances (1772), p. 281.

<sup>&</sup>lt;sup>3</sup> Compare John Powell, View of Real Grievances (1772), p. 281 with William Temple, Essay (1770), pp. 29 ff.

social observers to avoid the conclusion that low wages were beneficial to the nation, so long as they were firm in their opinion that national well-being was founded upon the export trade, and that the selling prices of goods in this trade were governed by the wages rate. It seemed an unavoidable consequence of this train of thought that wages so low as merely to sustain the physical life of the population would be highly desirable from the point of view of national interest. The form and character which this conclusion gave to the practical proposals of the different individuals who reached it in their thought, seemed to depend primarily upon the view taken by each as to the existing rate of wages; those who believed that a sub-

1 There were a few of the thinkers of the period who believed that the nation could maintain her high wages rate, a rate higher than that of her rivals, and still triumph in the struggle for trade supremacy. John Cary was one of these; this writer did not believe that the prices of goods were determined by the wages-cost for, he said, "our products . . . yield a price not only according to the value of the materials and labor but an overplus according to the necessity and humor of the buyers." An Essay Toward Regulating Trade (2d ed. 1719), p. 11. In another place Cary contended that improvements in the technique of production and the invention of new machines would off-set high wages, appealing to the experiences of England with manufactures whose prices had fallen while the wages rate had risen. See An Essay on the State of England (1695), p. 145. It appeared, however, that Cary was not entirely free from the wages theory of value; the effect of mechanical improvements, he thought, would be to reduce the total labor bill: "All of which saves the labor of many hands so the wages of those employed need not be lessened." Ibid., p. 146. Josiah Tucker, in one of his latest books, arrived at the conclusion that a high rate of wages in a country might not hamper it in competition with foreign trade rivals. In his privately printed book, Elements of Commerce (1755), as a marginal note to part v, Tucker condemned as a "vulgar error" the opinion that "rival nations cannot all flourish at the same time; that poor nations will draw trade from rich; that low wages create cheap manufactures."

David Hume, while admitting the initial advantage of low wages when possessed exclusively by one of two rival trading groups, did not believe that the advantage could long be maintained. The cause of the lower level of wages, he thought, would be a scarcity of money and the consequence would destroy the cause; for as soon as the low wage country obtained the favorable balance, money would flow in and raise the level of wages along with the general price level. See *Political Discourses* (1752 ed.), p. 43.

sistence rate actually obtained, and were convinced from theoretical reasoning that it would of necessity obtain in the long run under normal conditions, advocated expedients for lowering the cost of living to the end that wages might reach a new and lower level. Those, on the other hand, who believed that the laborer was receiving more than was required to subsist him were likely to conclude that wages were too high and ought to be lowered; the latter seems to have been the position taken by the many writers who advanced the doctrine of "hard times" as elaborated in an earlier chapter.<sup>1</sup>

The doctrine that wages were, and ought to be, proportional to the cost of the subsistence minimum, raises the question as to what standard of living the laborer should be encouraged to maintain. The term, "subsistence wages," does not of itself sharply define the life conditions of the laboring classes, nor afford a practical basis of comparison between the economic prosperity of different groups; it is necessary first to know what elements of satisfaction the term subsistence embraces. Should it be granted that wages will at all times tend towards the subsistence level, it does not follow that a cheapening of the cost of living will suffice to reduce wages; for there exists the other alternative of a raised standard of life possible when the essentials of physical existence have cheapened in price. Hence it would appear that the social writers of the period, who made of subsistence the norm of wages, were under the necessity of defining what they meant by "subsistence," or, in other words, of describing the standard of living which they believed would or should obtain among the laboring classes of their country. Though their failure to do this in plain terms makes it necessary for us to draw their ideas by inference from their discussion of other topics, we are able by this means to divide them roughly into three groups.

<sup>&</sup>lt;sup>1</sup> See above, chap. vi.

First, there was one small group of writers who took a more advanced position in regard to the standard of living than that attained by the mass of social observers, and who represented an attitude of liberalism, which was not typical of the spirit of their day. This group comprised Dudley North, George Berkeley, and David Hume. The writings of these men cannot strictly speaking be considered Mercantilistic at all, for their point of view upon the fundamental principles of that system of thought was decidedly unorthodox — approaching, in fact, a cosmopolitan breadth of vision and an individualistic liberalism of policy which are the distinguishing characteristics of the Utilitarians. They were the forerunners of the later school of thought, pointing the direction that thought would take. and indicating the revolution it would work in the basic concepts of their day. With even the most humane of the later Mercantilists, the question of the economic well-being of the laborer was submerged in the much more vital question of the wealth of the nation, and was debated with a constant view toward the effect which changes in the standard of comfort would have upon the balance of the foreign trade; with these three writers, on the other hand, the economic prosperity of this largest of social classes was an end in itself, an index to the wealth of the nation, the conclusion of all efforts to attain national enrichment. Hence there was no logical limit in their thought to the extent to which the wants of the laborer might profitably expand; new wants would spur him on to new efforts and these efforts would result in the production of goods or services which would raise the general prosperity of the social body. Such a train of thought leads to a doctrine of extreme liberalism.

To illustrate from their writings the distinguishing point of view of this small group of thinkers, we may turn first to Dudley North, who in his *Discourses upon Trade*, which appeared in 1691, said:

The main spur to trade or rather to industry and ingenuity is the exorbitant appetites of men which they will take pains to gratify, and so be disposed to work, when nothing else will incline them to it; for did men content themselves with bare necessities, we should have a poor world.

The glutton works hard to purchase delicacies wherewith to gorge himself; the gamester for money to venture at play; the miser, to hoard; and so others. Now in their pursuit of those appetites other men less exorbitant are benefitted, and tho' it may be thought few profit by the miser, yet it will be found otherwise if we consider that besides the humor of every generation to dissipate what another hath collected, there is benefit from the very person of the covetous man; for if he labors with his own hands, his labor is beneficial to those who employ him; and if he doth not work but profit by the work of others, then those he sets on work have benefit by their being employed. Countries which have sumptuary laws are generally poor.

The same sentiment was stated by Berkeley in language more terse:

Whether the creating of wants be not the likeliest way to produce industry in a people? And whether if our peasants were accustomed to eat beef and wear shoes, they would not be the more industrious? <sup>2</sup>

Whether comfortable living doth not produce wants and wants, industry and industry, wealth? 3

Whether the way to make men industrious be not to let them taste the fruits of their industry? And whether the laboring ox should be muzzled? 4

And the thought of Hume was very similar; when discussing the necessity of commerce to tempt the people of a country to employ their industry to create more than the bare essentials of life, he said:

Everything in the world is purchased by labor and our passions are the only causes of our labor.... It is a violent method and in most cases impracticable to oblige the laborer to toil in order to raise from the soil more than what subsists himself and family. Furnish him with manufactures and commodities and he will do it for himself.<sup>5</sup>

<sup>1</sup> Discourses upon Trade (1691), p. 27.

<sup>&</sup>lt;sup>3</sup> The Querist (1755 ed.), p. 3. 
<sup>3</sup> Ibid., p. 12.

<sup>4</sup> Ibid., p. 38. 5 Political Discourses (1752 ed.), pp. 2, 13.

Hume went so far as to urge the utility of increasing the real wages of labor in order that their standard of living might rise:

Every person, if possible, ought to enjoy the fruits of his labor, in full enjoyment of all the necessaries and many of the conveniences of life. No one can doubt that such an equality is most suitable to human nature and diminished much less from the happiness of the rich than it adds to that of the poor.<sup>1</sup>

In contrast with these advanced ideas stands the opinion of that large group of writers who advocated the utility of low wages; 2 these appear, on the whole, convinced that the standard of living among the laboring classes of their day was too high and to evince a desire to limit the standard to the satisfaction of purely physical needs. There was a tendency in their proposals to deprive the laborer of those immaterial elements of income which served to gratify the demands of his social and intellectual nature. for, though it would be a mistake to look for a general agreement among them upon this point, they do unite in denying to the laborer the leisure time necessary to the gratification of these demands; moreover, there were some among them who argued explicitly for reducing the standard of living to its lowest terms, and though these were in the minority, their tone of severity rang in harmony with the prevalent thought of their age. The objections voiced against "snuff-taking," "tea-drinking," "ruffles," "silks," "ribbons," etc., is explicable on the same basis, and it was to this intent that Arthur Young exclaimed, "Wants, I allow, are numerous, but what name are we to give to those that are voluntarily embraced. . . . "4 It appeared

<sup>&</sup>lt;sup>1</sup> Political Discourses (1752 ed.), p. 18. See also, as representative of Hume's attitude, his statement that high wages were desirable in that they raised the general level of prosperity and that their effect upon foreign trade was "not to be put in competition with the happiness of so many millions." Ibid.

<sup>&</sup>lt;sup>2</sup> See above, pp. 131 f.

<sup>&</sup>lt;sup>3</sup> See Thomas Alcock, Observations (1752), pp. 45 ff.

<sup>4</sup> Eastern Tour (1771), IV, p. 355. Arthur Young did not believe that

to the minds of these writers that an elevation of the standard of living among the laboring classes, since it raised the cost of subsistence and therefore wages, could be effected only at a cost to the nation as a whole. There appeared to be a positive advantage in depressing the economic condition of the bulk of the nation's population. "We are told," said a writer to the Gentleman's Magazine in 1749, "that all English tradesmen of every denomination are used to live better than foreigners and therefore cannot afford to work or sell as cheap as they; carry this argument to a foreign country and see whether it will persuade the inhabitants of that country to trade with you." <sup>1</sup>

These writers who advocated the low standard of living were by no means definite in their statements as to what elements of enjoyment that standard should embrace, though they seemed to believe that the economic condition of the English laborer should be regulated with reference to the prosperity of the working classes in foreign countries which were England's competitors. Such was the intent of the writer to the *Gentleman's Magazine* just quoted, and it was certainly the purpose of that section of those writers who sought to depress wages by encouraging an influx of foreign artisans.<sup>2</sup> The extreme representative

the rate of wages would be governed by the cost of subsistence, but that the laborer could and did receive money wages more than essential to cover his real wants. See *Eastern Tour*, IV, p 328; *Southern Tour* (1769 ed.), p. 325.

<sup>1</sup> Gentleman's Magazine, December, 1749.

<sup>2</sup> See above, pp. 137 f.

An energetic opponent of this proposal of free immigration selected this effect upon the English workman's standard of life as the salient feature of the measure: "The avowed design of bringing over and naturalizing foreigners is said to be, the reducing the price of labor so low as to afford our manufactures as cheap as our neighbors and thereby recover our foreign traffic, which seems to decline apace.

"Our laborers and mechanics, 't is said...live too high and extravagantly, which is the reason they set a higher price on their goods than foreigners do on their's who live upon herbs and roots and drink water." Considerations on the Bill for General Naturalization (1748),

App. 1.

of the group who advocated a reduction of the laborer's standard of living was William Temple. One of the most bitter of the critics of the lower classes, this writer felt compelled to defend himself against the charge of cruelty; he wrote:

I would willingly have them all live comfortably by their labor and be supported by the state when age, sickness, or any other calamities render them incapable of labor.<sup>1</sup>

To Temple's mind, constant toil was the price which the laborer should pay for the essentials of a day-to-day existence; nor did he believe that the income from this labor should be sufficient to provide even the physical requirements of the entire span of the workman's life, for, as was indicated in the quotation given above, the resort to charity, when the productive period of the life had passed, was, in the theoretical system of the writer, to be the normal experience of the laborer. In fact, Temple stated positively that it would be impolitic to encourage the laborer to accumulate property as a reserve against old age; he said:

Any considerable degree of prudence and economy among the poor would be unnecessary. Their expenses should be constant; they should spend all they earn, but then they should spend it on necessaries for themselves and families and not to purchase superfluities or the means of a low debauch.<sup>2</sup>

The writer did not believe that the standard of living could reasonably be the same for all working hands:

I readily agree that where the labor of our people is harder [than that of foreigners] which is frequently the case, they ought to live somewhat different; . . . but in the common run of our woollen, cotton, or silk manufactures, their labor is not harder than in other states.<sup>3</sup>

Hence, he would conclude that in those lines of industry, in which England was experiencing the keenest competi-

<sup>2</sup> Ibid., p. 245.

<sup>&</sup>lt;sup>1</sup> William Temple, An Essay (1770), p. 38.

<sup>&</sup>lt;sup>3</sup> Ibid., p. 53.

tion, the standard of life among the English laborers should conform to that obtaining in that competing nation whose wages rate was the lowest. As if to soften the rigors of this life program for the laboring classes, Temple injected a weak strain of compassion into his proposal:

I would have it in the power of these poor who labor six days to have a small surplus after their necessaries are paid for, to regale themselves with on the Sunday. Would this be like slavery?

In these sentiments of Temple's, the extreme advocate of a large group of writers, we have an elaboration of the conditions of life, both present and future, which would be laid down for the English laborers — that "most useful" of social classes — by those who believed in the utility of hard times.

But the main body of opinion regarding the standard of living of the laborer was more lenient than that held by Temple and his group, evincing a willingness to allow the laboring classes of England a more comfortable subsistence than was enjoyed by corresponding classes in foreign countries. It had become a patriotic matter that England's poor lived better and found the conditions of life less hard than the laboring population of other states, and the body of the writers of our period were content that this relatively high standard should be maintained. This position has already been indicated; thus we saw that Sir Walter Harris did not propose forcing the English laborer to adopt the "coarser and cheaper diet" of the Irish and French.2 John Cary specifically stated that the "people of England scould not live on such low wages as they do in other countries." 3 The opponents of the excise in Parliament contended in 1738 that the laborer should be allowed "some of the conveniences of life." 4 One of the antago-

William Temple, An Essay (1770), p. 54.

<sup>&</sup>lt;sup>2</sup> Sir Walter Harris, Remarks on . . . Ireland (1691), p. 71.

<sup>3</sup> John Cary, State of England (1695), p. 144.

<sup>4</sup> Gentleman's Magazine, VII, p. 776.

nists of the naturalization project cried out against forcing the native laborer to reduce his standard to that of foreigners "who live on herbs and roots and drink water." <sup>1</sup> Josiah Tucker, who believed in the inecenomy of high wages, but could not as a "compassionate man" bring himself to support measures which would raise the cost of living, <sup>2</sup> likewise advocated the maintenance of a relatively high standard among the laboring classes of England. He said:

If they say that the poor should be treated as so many beasts of burden without being permitted to enjoy the fruits of their own labor, or to rise gradually in the world by superior industry and skill...this is...saying...that the poor ought to be kept in a state of slavery... and slavery ever will be found as repugnant to the interest of society as it is contradictory to the principles of common justice.<sup>3</sup>

But in spite of their more humane tone, these writers really had in mind only the physical standard of the laboring classes, when they spoke of wages as being determined by the subsistence cost. This we may conclude from the fact that their practical proposals for reducing wages and

<sup>&</sup>lt;sup>1</sup> Considerations of the Bill for General Naturalization (1748), p. 1. This writer did not believe that the foreign rival would necessarily be able to undersell the English merchant because of his possession of cheap labor: "It has been observed . . . that one of our laboring men who eats beef and pudding will do twice the work of one of these finical gentlemen who live upon herbs and roots, and if one of the natives can do as much work as two foreigners, he may afford to live better than a foreigner and sell his work cheaper." Ibid., p. 3.

<sup>&</sup>lt;sup>2</sup> Josiah Tucker, Brief Essay on Trade (2d ed., 1750), p. 54.

<sup>&</sup>lt;sup>3</sup> Josiah Tucker, Sermon on Charity Schools (1772), p. 19. Tucker here appeared to reverse the position he had held when he asserted that benefit would accrue to the nation if "the price of labor is continually beat down" (Brief Essay, 2d ed., 1750, p. 46), but the contradiction in meaning is not real; the writer's reliance on low wages to benefit the nation was established upon his faith in the disciplinary virtue of rigorous life conditions; his purpose was to enforce industry and sobriety, and he advocated low wages as means towards this end. There is no indication in Tucker's writings that he considered low wages and a low standard of life as desirable in themselves.

expanding the foreign trade of their country, consisted mainly of expedients for reducing the prices of food products; for the confidence with which it was assumed that the wage rate would come down to the new level of the cost of subsistence indicates a belief that the standard of living among the laboring classes was composed either chiefly, or entirely, of the essentials to physical existence. In the opinion of men believing in the wages-cost theory of value, such proposals would work out their ultimate result of lower prices for export commodities and greater competing power for the nation. We may select Vanderlint as the best representative of this train of thought. In 1734 this ingenious man published a book to prove the expediency of lowering the prices of foodstuffs, believing that the wage rates of different countries would conform to the cost of living in those countries 1 and that the price of manufactured goods was chiefly constituted "of the price of labor." 2 Vanderlint was of the opinion that the wages paid in England in his day were at the subsistence level, and that, therefore, the desirable end of expanding the foreign commerce of the nation through a lowering of the wages-cost, could not be attained by arbitrary government action. This "must not be done," he said, "by making the poor fare harder or consume less than their reasonable wants in that station require. . . . But this must be done by employing the people in the right way, in tillage and cultivation of land, to make the plenty so great that they may have their wants properly supplied for the station of life, and yet work so cheap as to make our produce and manufactures so cheap as any of the neighboring countries make anything." His proposal, then, was to re-

<sup>1 &</sup>quot;If we... make our plenty great enough to make labor sufficiently cheap, which is always constituted of the price of victual and drink, our manufactures and everything else will soon become so moderate as to turn the balance of trade to our favor." Jacob Vanderlint, Money Answers All Things (1734), p. 43.

<sup>&</sup>lt;sup>2</sup> Ibid., p. 15.

<sup>&</sup>lt;sup>3</sup> Ibid., p. 69, note.

distribute the land of the country in such a fashion that the laboring population would be directed more to the production of food products and so reduce the cost of the means of subsistence. In this way, Vanderlint believed, the following advantages would accrue to the nation:

First, by thus making the necessaries of life cheaper, to such a degree as shall be found effectual to reduce the present price of labor, and thereby the price of everything else, so much that the money now circulating amongst the people may extend a vast deal farther than it now will do.

Secondly, we shall thence be enabled to make and export our manufactures at so much lower prices; and this must needs cause us to export abundance more of them to those nations that now take them of us; besides that it will enable us to carry our produce, etc., further and cheaper and induce other nations to take them of us which now, perhaps, do not take any of our goods; whence the cash of the nation will certainly increase, by raising the value of the exports over the value of the imports.<sup>1</sup>

In answering the question, how far his proposal to redistribute land should be carried, Vanderlint again emphasized his opinion that the wage rate of the country would conform to the cost of subsistence:

The quantity of land to be further put into cultivation and tillage, must be so great as to increase the plenty of everything to such a degree that the price of everything may by that plenty be so greatly lowered that the rates of labor may also be lowered.<sup>2</sup>

And in another place, when further elaborating his proposals, he reiterated this theory of wages and indicated its intimate connection with the theory of values:

But it will be asked, how we shall know when the price of things are at this proper level? I answer that as the price of labor is always constituted of the price of necessaries, and the price of other things chiefly of the price of labor, whenever the price of necessaries is such that the laboring man's wage will not, suitably to his low rank and station as a laboring man, support

<sup>2</sup> Ibid., p. 8.

<sup>&</sup>lt;sup>1</sup> Jacob Vanderlint, Money Answers All Things (1734), p. 6.

such family as is often the lot of them to have, the price of necessaries being then evidently too high, everything else is too.<sup>1</sup>

Vanderlint had nothing definite to say as to what standard of living should be set for the laboring classes, except that it should be "suitably low" to conform to the "rank and station" of the laboring man; we may, however, conclude with certainty that this standard was supposed to comprise little more than the means of supporting physical existence, for Vanderlint's entire project was pivoted upon the belief that the wage rate would closely follow the trend of the price of "victuals and drink," whereas if he had allowed the laborer any large amount of non-material gratifications, no such immediate correspondence could be expected. Such, in general, was the conception of the standard of living inherent in the many proposals to lower wages by cheapening provisions.

These proposals were repeatedly advanced by social observers of the eighteenth century who, like Vanderlint, held at the same time the wages-cost theory of value and the subsistence-cost theory of wages. Opponents of the Corn Laws, for instance, appealed to these popular notions in support of their contention that the exportation of foodstuffs should be restricted, not encouraged. It is not our intention to examine the controversial literature relating to this hotly disputed government policy; the question obtained a political importance which added warmth and

<sup>&</sup>lt;sup>1</sup> Jacob Vanderlint, Money Answers All Things (1734), p. 15.

<sup>&</sup>lt;sup>2</sup> Ibid., p. 15. <sup>3</sup> Ibid., p. 43.

<sup>4</sup> Other writers of the century proposed schemes for redistributing land, which were very similar to Vanderlint's at least in respect to their anticipated effects. John Bellers (Improvements of Physick, 1714), and Lawrence Braddon (Abstract of a Bill, 1717) both suggested that enabling the laborer to produce his own foodstuffs by giving him access to the land would cheapen labor to such a degree that manufactures could be raised practically without cost. William Bell proposed an equal distribution of landed property to the end that population might increase and trade expand as a natural consequence of the resulting low wages. See Population and Trade (1756), passim.

rancor to the arguments of the disputants, and at the same time robbed their arguments of most of their sincerity, but its logical connection with the two ideas which we have been tracing made it inevitable that these ideas should be turned to account by the opponents of the bounty. To give encouragement to the exportation of corn seemed calculated to have the effect of raising food prices in England and maintaining their prices at a high level. Such a policy, in view of the prevalent belief that wages would be regulated by the cost of subsistence, promised to raise the rate of wages which in turn threatened to weaken the competing power of the English export merchant. Sir Francis Brewster indicated the argument for repealing the Corn Laws by the title of his Fifth Essay: "That the woollen manufacture of England would be greatly enlarged by cheaper provisions." 1 This writer believed that wages could not be reduced since they were already just sufficient to cover the cost of physical subsistence, but, according to his computation, prohibiting the exportation of food would cause so large a reduction in the price of bread that wages would come down a penny a day, and so make a cheaper commodity possible.2 Similar meaning is contained in the statement of Sir W. Mildmay, another opponent of the corn bounty, when he said:

With regard to our foreign rivals in trade, we should endeavor to render the expense of living cheaper here than it is in theirs—in order thereby to reduce the price of labor, which will enable us to offer our merchandise at a cheaper rate, and consequently obtain the preference in their sale in all foreign markets.<sup>2</sup>

An attack upon the bounty, which appeared in the Gentleman's Magazine of 1742, stated this argument clearly and succinctly:

To give a bounty on corn exported is nothing else than to hire our people to work for foreigners . . . to make a necessary of life

Sir Francis Brewster, New Essays (1702), Essay 5.
 Ibid., p. 53 f.
 Sir W. Mildmay, The Laws and Policy of England (1765), p. 22.

cheaper for their manufacturers, seamen and laborers of every kind.

There is no complaint more common among our merchants than that foreigners under-work us in almost every kind of manufacture; and can we be surprised at it, when the general tendency of our laws is to make labor dear at home and cheap abroad?<sup>1</sup>

The attack reappeared in a later number of the *Magazine* with the emphasis placed upon another of the evil effects to be expected from a continuance of the policy:

As the bounty of wheat is five shillings per quarter, it may be sold in France much cheaper than it is bought in England....
This will enable our rivals to eat cheaper and consequently to sell their commodities cheaper than we possibly can do.... If things go on as at present most of our principal workmen and artificers will leave the kingdom.<sup>2</sup>

Implying, as this statement did, that wages in France and England would conform to the cost of the physical means of subsistence, it is not apparent why any inducement should have existed for the English laborer to leave his country; much less convincing is the argument that a migration to France would have been caused by the existence of lower money wages in that country. But the statement, however weak, plainly indicates the interrelation of the theories of wages and value as those theories prevailed in England during the period.

One other illustration of the influence of these theories upon the Corn Law controversy may be given. This is taken from a pamphlet entitled Causes of the Dearness of Provisions Assigned, which was published in 1766. It was during periods of scarcity that the utility of the Corn Laws was most severely called in question; this writer, after laying the blame for the current high prices upon the policy of encouraging the exportation of foodstuffs, stated the detrimental economic effects of this policy upon the nation as a whole:

<sup>1</sup> Gentleman's Magazine, XXII, p. 358.

<sup>&</sup>lt;sup>2</sup> Ibid., xxxv, p. 567.

By draining the kingdom of the most essential production of the earth, the price of corn is greatly enhanced to our own people and rendered much cheaper to foreigners. And if foreigners are furnished by means of a bounty with bread, and a variety of liquors upon cheaper terms than we are, the price of labor amongst them will be proportionately diminished and their manufactures fabricated cheaper than our's in that proportion. They will certainly be enabled to undersell us and ruin our trade.<sup>1</sup>

The same writer appealed to the subsistence theory of wages in answer to the protest of the country party that their interest would be prejudiced by the repeal:

As corn would be considerably cheaper, the price of labor would be greatly reduced; by which means the farmers could carry on their improvements on easier terms.<sup>2</sup>

It was in relation to the subject of taxation, however, that the prevalent notions of wages and value exerted the greatest practical effect. Like the dispute over the Corn Laws, the excise controversy was complicated by political influences which gave factitous character to the statements of the opposing parties and detracted in large measure from their economic importance; but the weightiest arguments against the levying of internal revenue taxes upon articles of consumption were erected upon the two fundamental propositions that wages of labor would be regulated by the cost of the means of subsistence and that the values of commodities in the foreign market would conform to the wages-cost of production. These propositions were stated without argument as truisms by that group of writers upon the tax policy of England who were convinced that the prosperity of the nation demanded a lenient treatment of the trading classes; and they were considered sufficient reason for freeing articles of consumption from all share in the tax burden. For by the logic of the subsistence-cost theory of wages, taxes upon articles of con-

<sup>2</sup> Ibid., p. 28.

<sup>&</sup>lt;sup>1</sup> Causes of the Dearness of Provisions Assigned (1766), p. 24.

sumption appeared inevitably to raise the rate of money wages; but this shifting of the tax would not be final, for since wages-cost was believed to regulate prices, the commodities entering the foreign trade of the country would necessarily command higher prices and hence meet with diminished demand. Here was an influence prejudicial to the nation as a whole.

In the original statement of this theory of incidence, however, the reasoning was incomplete and the conclusion contrary to that reached by later writers. It appeared first in Mun's English Treasure by Foreign Trade, and was there advanced as an argument favoring the excise:

Neither are these heavy contributions so hurtful to the happiness of the people as they are commonly esteemed; for as the food and raiment of the poor is made dear by excise, so doth the price of their labor rise in proportion, whereby the burden (if any be) is still upon the rich...²

We may infer from Mun's analysis that he believed the existing rate of wages to be equated to the cost of subsistence, for only on such an assumption could he have held that the money incomes of the laborers would automatically rise with the increased cost of "food and raiment"; later writers filled out this analysis of Mun's by the addition of the wages-cost theory of value, and so arrived at a different conclusion regarding the advisability of laying excises upon articles of necessity. Davenant supplied this omission:

As to manufactures, high excises in time of peace are utterly destructive to that principal part of England's wealth; for if malt, coals, salt, leather and other things bear a great price, the wages of servants, workmen, and artificers must consequently rise, for the income must bear some proportion to the expense, and if such as set the poor to work find wages of labor and manufacture advance upon them, they must rise in the price of their commod-

<sup>&</sup>lt;sup>1</sup> Thus E. A. R. Seligman, Incidence of Taxation (2d ed. 1899), p. 13.

<sup>&</sup>lt;sup>2</sup> Thomas Mun, English Treasure (1664), p. 156.

ity or they cannot live; all of which would signify little if nothing but our dealings among one another were thereby affected; but it hath a consequence far more pernicious in relation to our foreign trade.<sup>1</sup>

When the controversy was raging in Parliament over Walpole's proposal to reinstitute the excise on salt,<sup>2</sup> this argument was repeatedly urged against the measure; the statement was also made that the excise would prove burdensome to the poor, a statement apparently incompatible with the belief that the wages of labor would rise to the full amount of the imposition, but evidently referring to the transition period during which this rise in wages was working out its effects. Thus said one advocate of the repeal of the salt duty in 1732:

We have already so many taxes, so many impositions, the price of everything is thereby so much enhanced that none of our manufactures can be sold in a foreign market so cheap as the same sort of manufactures are sold by our neighbors... This tax falls most grievously upon the poor, and as they are by far the majority of the people, it must of a consequence raise a general murmuring.<sup>3</sup>

And the statement was repeated during the course of the debate:

A tax upon salt is the most burdensome upon the poor and most pernicious to the traders of this kingdom of all the taxes we are liable to.<sup>4</sup>

¹ Charles Davenant, Probable Methods (1699), p. 45. Davenant's remarks were sometimes inconsistent with his statement of the necessarily pernicious effect of excises, without, however, relinquishing his opinion regarding the theories of wages and values implied in the quotation above. He suggested in another book that "if the laws of assize were revived and enforced with higher penalties," it would be possible to tax foodstuffs without causing a rise in prices and hence with no effect upon wages; the tax, he thought, would come "out of the immoderate and unlawful gains of bakers, corn-chandlers, and corn-brokers." See Ways and Means (3d ed., 1701), p. 122.

 <sup>1732.</sup> Gentleman's Magazine, II, p. 784.
 Ibid., II, p. 993. See also II, p. 796.

Every workman must be able to maintain himself and his family. If he can do this he generally looks no further; and when the price of labor was but a penny a day, as we are told it was, it was the same to the poor man as a shilling now if it answered the same purpose.

As therefore our heavy duties on the common necessaries of life have enhanced the price of labor so the taking them off is the only method to reduce it, without laying any hardship on the laboring poor, which will not only be a great ease to the landed men who employ them but give new life to our foreign trade and encourage the exportation of our manufactures on which it depends.<sup>1</sup>

The influence of the prevailing theory of wages is to be seen in the unique plan for a single tax put forward in 1743 by Sir Matthew Decker; the essence of his proposal was to apportion that tax burden more accurately in accordance with the taxpayer's ability to bear it, and the subsistence-cost theory of wages was made the basis of the suggestion that the laboring classes should be entirely exempt:

I would fix upon five hundred thousand houses which we may suppose inhabited by the lowest and poorest sorts of people; from these I would expect no duty, as thereby their labor might become so much cheaper and the goods which are the product of their labor might, by this reason, be sold at as low or even lower rate than can be afforded by other nations; for I do not know any country in Europe where the poorest do not pay some tax or other; whereas by the present scheme those of this country will be absolutely free.<sup>2</sup>

In 1748 the effect of the excise on articles of necessary consumption in raising the prices and wages was advanced in refutation of the argument that free immigration would reduce the rate of wages in England, it being asserted that so long as these taxes remained in operation, the money wages of the English laborer must of necessity be high.<sup>3</sup> In the following decade Francis Fauquier evolved a theory

William Pultney, Case of . . . the Salt Duty (1732), p. 56.

<sup>&</sup>lt;sup>2</sup> Sir Matthew Decker, Serious Considerations (1743), p. 15.

<sup>&</sup>lt;sup>3</sup> Sufficient Reasons Against . . . Naturalization (1748), p. 11.

of incidence which led to the conclusion that "poor do not, never have, nor ever possibly can pay any tax whatever," the major premise being that the laborers of all countries and all times would inevitably receive subsistence wages. Similar reasoning led an anonymous writer in 1766 to state:

It is a great pity that the necessaries of life are taxed at all. Was the duty taken off corn, soap and candles, and laid upon articles of luxury, as labor and manufactures would be much cheaper, trade and commerce would flourish of course.<sup>2</sup>

And in the following year the same principles were made the basis of a new attack upon the excise.<sup>3</sup> We may conclude this phase of the wage theory of the period with a quotation from the unknown author of *An Inquiry into the Management of the Poor*, published in 1767:

It is absolutely necessary that the price of labor should be kept within the most reasonable bounds in every country which carries on considerable commerce in its manufactures to foreign countries. When, therefore, the necessities of the government oblige Parliament to raise money and lay taxes... the utmost care should be taken that all such things as the common people want for their daily subsistence may as much as possible be exempt.<sup>4</sup>

<sup>1</sup> Francis Fauquier, Essay on Ways and Means (1756), p. 17.

<sup>2</sup> Causes of the Dearness of Provisions (1766), p. 46.

<sup>3</sup> Political Speculations (1767), pp. 33 f. "The lower labor was, the more advantages we should have by traffic with foreigners by underselling our rivals, where labor was at a higher rate. . . . If labor had been, before such a tax, but one penny per day, it must . . . at once to six pence at least, and of course all products of labor would rise in the same proportion."

<sup>4</sup> Management of the Poor (1767), p. 72.

For further illustration of the subsistence-cost theory of wages, and the wages-cost theory of value upon the doctrine of incidence, see An Enquiry into the Causes of the Increase and Miseries of the Poor (1738), pp. 18, 79; Thoughts on . . . Borrowing Money (1756), p. 104; Josiah Tucker, Brief Essay (1750, 2d ed.), pp. 38-39; 46-47; Lord Kaimes, Sketches of the History of Man (1776), 1, pp. 465-66; 470; 478; The Absurdity and Impolicy of Reducing the Taxes (1772), passim; Adam Smith.

It will be seen, from this brief review of the ideas of incidence and of the discussion of the Corn Laws, that the theory of wages, in its relation on the one hand to the cost of subsistence and on the other to the value of commodities, exerted considerable influence in shaping the practical thought of the period we are studying. Taken in connection with each other, these two branches of the labor theory evolved within the peculiar structure of economic ideas which existed at the time, exaggerating the importance of the nation's foreign trade, and making the domestic artisan the source of national wealth, argued the social utility of low wages. These later Mercantilists appear peculiarly open to attack upon the charge of injustice and hypocrisy, in that they continued to assert an opinion that the laboring class was the most important of all social classes, while at the same time they countenanced and supported policies whose tendency was to depress the laborer's economic prosperity. The question naturally arises, as we read their writings, why, if the most useful, should the laboring class have been the poorest of all social classes? How account, except on grounds of hypocrisy and insincerity, for the fact that while the social observers of the period united in elevating the theoretical importance of the working-man, the cumulative effect of their policies was to reduce his share in the social income? The foregoing analysis of the theories of wages and values should afford the answer to these questions. The laborer's unique social importance was attributed to his service to the nation in making possible a favorable balance-of-trade, and the wages-cost

Wealth of Nations (Cannan ed.), 11, p. 130; Sir Frederic Eden, Four Letters (1779), pp. 93-94; John Burkenhout, Lucubrations (1780), p. 61.

The opponents of the theory of incidence, in general, based their position on the belief that the rate of wages was not at the subsistence level, and that, hence, the rise in prices due to excises would cause increased industry, rather than a higher wage rate. See especially: William Temple, Vindication of Commerce and Arts (1756), pp. 36-37; Considerations on Taxes (1765), p. 64. Also the writers quoted above, pp. 135 f.

theory of value gave rise to the belief that this service could be rendered effectually only by a laboring class kept in poverty. For a highly paid, and therefore prosperous, laboring body would, it was thought, fail to produce the favorable balance-of-trade. The laborer, then, must be kept poor that the nation might be rich.

In such a system of thought the "allowance in aid of wages," a form of charity practiced in England in this period which seems peculiarly indefensible to modern minds, held a not illogical place. With mind intent upon producing the favorable balance-of-trade, the social observer could, without knowledge of inconsistency, assert that anything which would add to the competing power of the export merchant would add directly to the wealth of the nation. Low-wage labor, artificially produced by a system of pauperizing expedients, would enable the manufacturer to place his commodity upon the market at a lower price, with better prospects of capturing the trade, than would have been possible had the employer been compelled to bear the whole burden of the laborer's remuneration. Under these circumstances the allowance in aid of wages was a form of bounty given to the export industries, the burden of that bounty being borne by the contributors to the rates. That such a method would tend to impoverish the whole nation by reducing the productive power and diminishing the social income was not apparent to minds intent upon measuring the stream of precious metal entering the country; if this stream had been increased by the expedient adopted, the observer apparently had conclusive and tangible evidence that the expedient had proved effective in increasing national wealth, and the poor rate which had made the favorable balance possible could be looked upon as a simple redistribution of wealth within the country, in no way influencing its absolute amount. This is not intended as an assertion that the utility of the rate in aid of wages was established at the

time by this process of reasoning; it is, however, apparent that the entire trend of thought in the period was such that so glaring a fallacy could long pass unsuspected.<sup>1</sup>

<sup>1</sup> John Weyland, though writing as late as 1808, disclosed all the characteristics of the Mercantilist writers considered above; and among other things, he advanced as an argument in favor of the poor law the statement that, as poor relief was an alternative to adequate wages, it was socially desirable because it prevented a rise in the price of commodities and a crippling of foreign trade. See Observations on Mr. Whitbread's Bill, pp. 13 f.

## CHAPTER VIII

## CONCLUSIONS

WE may now summarize the principal conclusions established in the preceding chapters in regard to the position of the laborer in the theory of nationalism as typified by the later English Mercantilists, and use our conclusions as far as is practicable for a further understanding of modern nationalistic doctrine.

Nationalism departs fundamentally from the logic of laissez-faire in regard to the basis upon which is computed the value of the laborer both as an individual and as a social class. Laissez-faire has no other method of deriving the economic value of the laborer than that of capitalizing his net earnings. Implicit in this method are two assumptions: First, that under a liberalistic régime wages will conform closely to the laborer's productivity; in other words, that the law of wages will be the law of marginal productivity. The orthodox modern theory of distribution establishes this proposition by means of the doctrine of "imputed marginal products." 2 Again, our method of evaluating our laboring classes implies a belief that the social value of the laborer will coincide with his value to those who possess the purchasing power of society. For in a liberalistic régime there is no other way for the workman to discover his earning capacity than that of offering his services in the competitive market to those who are willing and able to buy them; his income will be high or low in proportion to his indispensability to those who control the

<sup>&</sup>lt;sup>1</sup> See Dr. William Farr, Economic Effects of Death by Different Diseases, and The Cost and Present and Future Economic Value of a Man; also, E. E. Holt, Physical Economics.

<sup>&</sup>lt;sup>2</sup> See J. B. Clark, Distribution of Wealth; F. W. Taussig, Principles of Economics, 11, chap. 51; "General Wages," and other modern economists.

buying power of our society. The logic of laissez-faire undertakes to prove that by allowing men freedom to search out the highest market for their services, society will reach the desirable end of obtaining the maximum utility from its expenditure of effort. This assumes that utility to the buyer of the laborer's services and products will coincide with social utility, that the corporate interests of the group will be served in the process of satisfying the wants of those who have an effective demand. The theory of nationalism admits neither of these assumptions because it adopts a different basis upon which to estimate the social value of the laborer; the supreme purpose is the attainment of a distinctly national goal, the development of some peculiar form of national power, and the laboring classes are appraised for their contribution to the furtherance of this purpose. In England, during the period we have been studying, the national ideal was supremacy in the possession of a peculiar form of national wealth to be attained through the development of the highest possible competing power. This power inhered pre-eminently in the laboring classes; hence the doctrine of the social importance of the laborer. But the social value of the laborer bore no logical connection with the value of his services to individuals within the nation; his earnings might, without inconsistency, be low while his social importance was high.

Because of this lack of connection between the earning power of the laborer and his social value, it becomes necessary in a nationalistic régime to subject the energy of the laboring classes to the control of a central governing intelligence "in whose prudence and disposition it is to improve, manage and fashion it to more or less advantage." The state assumes the power which, in a liberalistic economy, is vested in the possessors of purchasing power; public policy supplants private utility as the touchstone of the laborer's activity. When necessary, employments are created of the kind which appears most likely to aid

the nation in working out its purpose. Whenever competition for the use of society's labor energy arises between the citizens and the state, higher expediency demands that the former give way, surrender wants whose satisfaction lead to an improper employment of the laborer, and relinguish to the state the right to decide what form of goods shall be produced. Because of their diverse purpose, government employments cannot be required to meet the test which ascertains the survival value of private industry, namely, the value of the product in the competitive market: hence there is no safeguard against the "make-work" fallacy, except the prudence of the supreme authority to adopt efficient means of pursuing national advantage. The logic of Mercantilism led to the conclusion that the export industries furnished the employment of highest national utility, and upon this conclusion was erected a system of policy which attempted on the one hand to create and expand this form of industry and on the other to curtail by sumptuary laws and in other ways those forms which threatened to withdraw labor from the nationally important lines of occupation.

As a product of these characteristics of nationalism, the relation of the laborer to his job takes on a moral character totally lacking in a laissez-faire economy; duty supplants desirability as the governor of man's economic conduct. Since the national importance of the occupation cannot be demonstrated by its relative profitableness, the laborer cannot be allowed freedom to search for the highest wages; since, furthermore, it is essential to national well-being that the laborer perform the service demanded of him, he cannot be allowed to proportion the amount of his labor to his own economic needs; it becomes his duty to perform the amount and kind of work which the purposes of the nation require. Sanctions arise to enforce the duty to labor, sanctions both moral and legal, whose rigor and stringency will vary inversely with the responsiveness of

the laboring classes to national aims and purposes. Idleness is not only an injury to the laborer's interests, but a wrong to the nation, to be removed by persuasive means—for example, the creation of employment and the awarding of a right to employment—so long as the blame for idleness is laid upon the social organization, and by coercion of the laborer when the blame is laid at his own door. The workhouse policy of England and the doctrine of the economy of low wages were outworkings of the nationalistic conception of the duty to labor.

The theory of distribution in a nationalistic system of economics holds a subordinate position. The wage rate is governed by considerations of national policy as are the kind and amount of work performed by the laboring classes; the question is not what wages will be as a result of economic law, but what they ought to be for the furtherance of national interests. There is no presupposition in favor of competitive wages, for nationalism does not assume an identity of individual and national interest. In adjusting the wage rate, two forces are at work; the motive of doing justice to the laborer, of rewarding him in proportion to his national importance, and the motive of utilizing the wage rate for the ulterior purpose of supplying the nation with the quantity and quality of labor which its purposes demand. In England during the period of our study, the doctrine of the social importance of the laboring classes induced many to assert the justice of increasing the laborer's share in the social product; but their voices were drowned in the more general assertion that high wages would prove destructive of national well-being because they would reduce England's competing power by raising production costs. The prevalent doctrine held that wages should be kept at the level of the cost of physical subsistence. Hence the apparent anomaly of the laborer's position: whereas his theoretical social importance was large, his actual economic reward was miserably small.

In a laissez-faire economy there can be no prediction as to what the nation will seek to become by the utilization of her human and physical equipment; the kind and amount of goods produced, the character of the wants satisfied, the form taken by the capital equipment, the kind of skill developed by the laboring classes, these things will be under the control of the consumers with an effective demand — the possessors of the nation's purchasing power and each will exert his influence without consciousness of the social importance of his position and without forethought as to the ultimate outcome for the nation as a whole. Different individuals share in this diffused control in proportion as they wield buying power; each contributes his mite toward the shaping of national destinies by making effective wants whose satisfaction requires a moulding and shaping of the nation's natural and human energies; and under this diffused administration arise the forms of industrial organization dominant in a laissez-faire society. In a system of nationalism, on the other hand, a choice is made between alternative goals and a decision reached as to what the nation ought to make of herself from the potentialities of her resources. Once this decision is made. the process of evaluating individuals and social classes on the basis of their fitness to contribute to the attainment of the national purpose, of evolving concepts of the duties of the various classes and creating sanctions to enforce these duties, of manipulating the industrial organization, of apportioning rewards for services — the entire framework of public policy as illustrated in the conclusions drawn in the foregoing chapters - will follow logically. The key to the peculiarities exhibited by any particular system of nationalism is, therefore, to be sought in the choice of national goal. The labor theories of the English Mercantilists were what they were because of the peculiar ideal toward which the nation was striving. Had a different goal been chosen, the theories would have been different, as they must of necessity be in modern systems of nationalism whose national purposes contrast with those of England during the eighteenth century.

How then is this choice of national purposes made? How do individuals and social classes share in determining what the purpose shall be? The essential feature seems to be this: that in a nationalistic system the influence of the individual over the economic organization of his country is not in proportion to his buying power, as in a laissezfaire economy, but in proportion to his political power. In a nation where a single class holds the dominant political position, it is to be expected that the choice of national purpose will be made in conformity with the interests and prejudices of this class. This was true of England during the seventeenth and eighteenth centuries, when the rising middle class composed of traders and capitalists infected the political organization with their spirit and their purposes and were able to mould the doctrines of nationalism to suit their peculiar conceptions and interests. In a democracy, though political power be shared equally, so long as the formation of groups and classes upon the basis of diversity of interest continues, the outcome can hardly be different. Clash of interest will result in the political dominance of that class or combination of classes which. conscious of a likeness of interest, achieves numerical superiority; and again the nation will apply its resources, human and physical, to the prosecution of purposes which conform to the prepossessions of the dominant group and subserve their interest. Mercantilism teaches us that in working out a system of public policy based upon nationalistic purposes the dominant class will attempt to bind the burdens upon the shoulders of those groups whose political power is too slight to defend them from exploitation and will find justification for its policies in the plea of national necessity. Present-day nationalism gives evidence of a tendency to repeat this experience.



# APPENDIX I

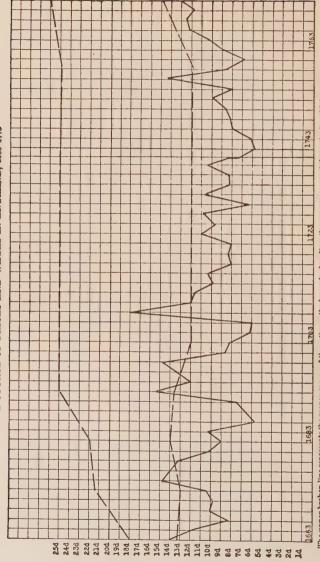
# ECONOMIC LIFE CONDITIONS OF THE ENGLISH LABORER, 1660-1775

THE diagram on the following page is an attempt to depict the economic well-being of the laboring classes of England during the period we are studying. A comparison of the curves for money wages with that for the cost of subsistence, the latter being represented by an assumed standard of living for a family of average size, discloses the course of real wages for the two classes of skilled and unskilled laborers. A subtraction of the solid from the broken curves indicates, in the case of each of these groups, the margin of comfort in excess of the physical minimum of subsistence afforded by the money wages which obtained. It is to this margin that we should direct our inquiries regarding the economic wellbeing of the working classes of England. The diagram shows that the real wages of skilled artisans rose materially between 1660 and 1775, and that the money wages of the agricultural laborer, who may be made the representative of the unskilled workman. were sufficient, on the average, to supply him with the means of a rude subsistence. It must be noted, however, that this latter group were at the mercy of seasonal fluctuations of prices which sometimes carried the cost of the means of subsistence out of the reach of their money wages. It is not impossible that the bitter adversity of these times of famine prices caused human suffering more than enough to compensate the relative prosperity of the more lenient seasons.1

The news columns of the *Gentleman's Magazine* contain abundant evidence that the lowest orders of the laboring population were reduced to abject want when prices rose. Graphic accounts are given of the riots occurring in different parts of the country in the years 1739 and 1740, 1753-57, 1766, and later dates. See *Gentleman's Magazine* for these years.

¹ This agrees with Cunningham's opinion as to the economic prosperity of the laborer during this period. "During seasons of plenty," he thinks, "the laborer was in all probability well off." But the riots which marked the recurring lean years and the unrest frequently displayed by the industrial population would indicate that hard times were of frequent occurrence. See Cunningham's Growth of English Industry and Commerce: Modern Times (1892), pp. 359-62.

# THE COURSE OF PRICES AND WAGES IN ENGLAND, 1660-1775



The upper broken line represents the money wages of the artisan; the lower broken line, the money wages of the agricultural laborer.
The sold line represents the average price of the minimum of subsistence for a family of five members. The minimum of subsistence adopted for the purposes of comparison with the laborer's money wages is a ration of wheat sufficient only to support biysical life.
The amount of this ration and the figures used as the basis for the curves are taken from Steffen's Geschichte der Eng. Lohnarbeiter, Stuttgart, 1901.

But before we attempt to draw too highly refined conclusions from such a diagram we must be sure that our confidence in the reliability of the statistics upon which it is founded is not misplaced. To compose a picture of real wages two sets of statistics are necessary — statistics of money wages and statistics of prices; in both there is abundant opportunity for error. Regarding the former, it must be borne in mind that our statistics for money wages obtaining during the period are meager and conjectural: that with the passing of the Justices' Assessments there disappeared both the uniformity of wages and their periodic and local recording, one or the other of which is necessary to afford us safe ground for generalization. This lack is especially felt in the eighteenth century when there is every reason to believe that the payments actually made for day labor varied within wide limits as between different localities.1 The uniformity of wages between the years 1700 and 1760, as depicted in our diagram, is the result of a process of averaging the different wage scales which are available, no attempt being made to weight each scale by a population factor which would represent its relative social importance.<sup>2</sup> Furthermore, even could we be assured of the correctness of our statistics we should still be in doubt regarding their significance, for it is important that we know to what extent the laborer was dependent upon his money wages for economic support, and this requires an investigation into the amount of income-yielding property owned by him. We shall examine this matter below.

<sup>&</sup>lt;sup>1</sup> The bird's-eye view of the English labor conditions given by Arthur Young just after the middle of the century discloses this wide fluctuation between local wage scales. His average for agricultural labor in the Eastern Counties in 1771 was 7s. 10d. per week, but the thirty-seven local wage scales upon which this average was based varied between five shillings and twelve shillings per week. See Eastern Tour (1771), IV, p. 312.

In the Southern Counties he found an average wage of 7s. 9d. per week, this average embracing thirty localities whose payments varied between 5s. 2d. per week and 10s. per week. See Southern Tour (2d ed., 1769), p. 321. In neither of these cases were his figures weighted by a population factor. And his average of manufacturer's wages was similarly crude. Ibid., 327.

<sup>&</sup>lt;sup>2</sup> In this we follow Steffens, who confesses the unreliability of the method, but finds support for the conclusions in the evidence of contemporary writers. For a review of these contemporary statements, see Steffens, Geschichte Eng. Lohnarbeiter (1901), I, p. 471. The testimony of these observers of their times bears out the general conclusions pictured in our diagram.

On the side of the cost of living, equal caution is necessary to guard against the misleading accuracy of the statistics given, for significance of the figures is again a matter of doubt. The assumption of an arbitrary standard of physical subsistence does violence to the actual life conditions of the laborer, since it bases the cost of living upon the price fluctuation of a single commodity, or at best a small group of commodities. Again, changes in the method of buying or preparing food may alter the importance of these prices; <sup>1</sup> and finally it must not be forgotten that wherever wages were paid wholly or partly in kind, the importance of food

prices was very slight.

Now it is impossible to state to what extent wages were paid in kind rather than in money during the period we are studying, though we do know that the practice was widespread at the beginning of the period and still existed in some localities at its close. The Essex wages assessment for 1661 prescribed two sets of wages according as board was or was not given; a similar provision appeared in the Lancashire assessment of 1725.2 Though a schedule drawn up for Kent in 1732 3 did not mention payment in kind, that for Gloucester prescribed yearly wages so low that the laborer must have been supposed to board at the farmhouse.4 Eden records that in Cumberland at about the same date (1735) day labor received from 1s. 6d. per week and board, while in Northumberland it was 4d, per day "and victual." 5 About forty years later (1769-71) Arthur Young made extensive investigations at first-hand into the conditions obtaining in England and he gives us every reason to believe that payment in kind was still a normal phenomenon. By the end of the eighteenth century this

¹ Such a change, for instance, as that which took place in the buying of flour and meal during the last half of the eighteenth century. It had been the immemorial practice of the laborer to supply his need for flour by a seasonable purchase of wheat from the farmer; this he had ground into flour at the local mill for a small charge, receiving the bran in addition to the flour. But the local grist mill disappeared as the practice grew of disposing of the entire wheat crop to middlemen supplying the urban market, and the laborer was then compelled to purchase his flour in small amounts at high prices, or if, as was often the case, he had also lost his supply of free fuel, to buy his bread from the baker. The significance to him of the wholesale price of wheat would, it is apparent, be very different before and after this change.

Sir Frederick Eden, State of the Poor (1797), III, p. 53.
 Gentleman's Magazine, II, 771.
 Ibid., loc. cit.

<sup>&</sup>lt;sup>5</sup> Eden, State of the Poor (1797), 1, p. 568.

<sup>&</sup>lt;sup>6</sup> Reference to this state of affairs is scattered through his Northern Tour (1771), and his Southern Tour (1769).

system had almost disappeared: "Throughout the eighteenth century . . . payment in kind was dying out, though even at the end of the century relics of the system are still to be found and throughout it farm servants boarded and lodged at the farmhouse." 1

Davies's carefully conducted survey published in 1795 records out of a total of thirty-one parishes in fifteen counties, only one - Newent, Gloucester - in which payment in food was a normal supplement to money wages.<sup>2</sup> Similarly, Eden, writing at this time to Northumberland, remarks on the passing of the practice of paying wages partly in food: We must, therefore, conclude that the cost of living, as depicted in the price fluctuations of wheat or other food products, was, at the beginning of the period, not of great significance to a large section of the laboring population, and that the section thus protected from price variations was composed to a great extent of the unskilled and lowest-paid class of workmen. Also that in this, as in so many other particulars, the economic life conditions of the laborer were altered radically during the course of the eighteenth century and that the change had the effect of placing him more and more at the mercy of seasonal fluctuations in prices.

From what has been said above it is apparent that statistics of real wages are of themselves an unreliable index to the economic position of the laborer; but they gain support from the fact that the relative prosperity which they depict is in substantial agreement with the conclusions reached by those students who have carefully weighed the other circumstances of the laborer's life. There is a uniformity in these conclusions which adds to their value; they agree that the economic position of the English laborer during the seventeenth century was not only comfortable. but showed a tendency toward improvement; a reverse tendency appeared during the eighteenth century and our period closes on the verge of the Industrial Revolution with the position of the laborer already undermined by the compelling forces of change which were working throughout the economic structure of the country. Hewins, working with the figures collected by Rogers, concludes that during that part of our period which falls within the seventeenth century the standard of comfort among the

<sup>2</sup> Eden, State of the Poor (1797), 1, pp. 568 f.

<sup>&</sup>lt;sup>1</sup> Hasbach, History of the English Agricultural Laborer (1908), p. 86.

<sup>&</sup>lt;sup>2</sup> David Davies, Case of the Laborer (1795); the instance cited is to be found on p. 162.

working classes rose slightly above the level of comfortable subsistence. This upward movement, he thinks, continued until 1765, and during this period "the working classes entered upon a period of greater prosperity and were able to live in greater comfort than they had enjoyed for a century and a half." He admits, however, that it "is not easy to estimate the extent of the improvement." Other investigators have reached a similar conclusion. Thus Steffen, who has made a painstaking study of the records of wages and prices, states that the real wages rose from the time of Edward Chamberlayne to that of Adam Smith; at first because of the rise in money wages and later (after 1690) because of the somewhat lower range of food prices. Also the quality of the standard of life advanced.

Prothero calls the period from 1713 to 1764 "one of the Golden Ages of the peasant." <sup>5</sup> Adam Smith writing in 1776, gives support to this conclusion concerning the well-being of the working classes. Real wages, he believes, rose during the eighteenth century; the money of the laborer supplied him with both a larger quantity and a greater variety of the necessaries of life, while the quality of the items in the working-man's standard

also improved.6

But no review of the economic position of the laborer would be complete without an account of the changes which were taking place in the economic structure of the country and an estimate of the effects of these changes upon the life conditions of the laboring classes. Money wages, after all, are of significance only to the extent to which they form the principal source of income;

<sup>1</sup> Hewins, English Trade and Finance (1892), p. 89.

<sup>3</sup> Hewins, op. cit., p. 114.

<sup>5</sup> Prothero, English Farming (1912), p. 148.

<sup>&</sup>lt;sup>2</sup> Ibid., p. 114. The writer bases this belief upon the testimony of Hallam, Tooke, Adam Smith, and others. But all classes of the laboring population did not share equally in the prosperity, for the industrial laborers were beginning to feel the effect of the competition of the new machines before 1765. See *ibid.*, pp. 118-125, for an account of the dissatisfaction of the Gloucester weavers.

<sup>&</sup>lt;sup>4</sup> Steffen, Geschichte Eng. Lohnarbeiter (1901), 1, p. 488. This writer's calculations are founded on the statistics gathered by Rogers (History, v and vII) and Tooke (History, 1838, I, 98). He has, however, examined the evidence of contemporary writers, Chamberlayne, Petty, Davenant, Defoe, and others and shows their agreement with his conclusions. Op. cit. I, pp. 479 f.

<sup>&</sup>lt;sup>6</sup> Adam Smith, Wealth of Nations (1776, Collier ed.), bk. 1, chap. 8, p. 138.

to complete the picture which they give, we need to know the amount of income drawn from sources other than labor. The economic changes of the period worked injury to the lower classes of England in that they deprived them of these extraneous sources of income and forced them to rely more and more completely upon their money wages for economic independence. In order to estimate correctly the importance of these changes we must learn, first, to what extent the average or representative laborer was a property owner in 1660, and, secondly, to what extent the forces of change in the period which followed deprived this average man of his ownership of income-yielding property.

In the system of manufacture which prevailed from the beginning of the period to its end, the laborer of the artisan class was an owner of property in the form of the tools and machines of his cottage industry; but this income was inextricably merged in the prices at which he sold his products and cannot be separated from his wages. These capital instruments remained in his possession throughout the period under consideration, though the initial stages of the Industrial Revolution were rendering them obsolete in certain forms of production. If the date for the beginning of the factory system be placed at 1775, it will appear that the injury suffered by the independent artisan from the series of mechanical inventions which were destined to deprive him of his capital instruments was but slight during the period we are studying.<sup>1</sup>

Of much greater significance was the redistribution of landownership which was working toward a separation of the laboring classes from the soil. Government policy and the weight of public opinion during the Tudor and early Stuart periods had worked in the direction of restoring to the land the laborers who had been set adrift by the agrarian revolution and the fever of enclosure which had swept the country in the fifteenth and sixteenth centuries. It seems improbable that the tillage laws of the Tudors and the agitation of the clergy could have had large results in

¹ They were, however, indications that the effects of these inventions were beginning to make themselves felt; the flying shuttle was adapted to cotton weaving in 1760 and in 1769 Arkwright obtained the patent on his spinning roller; the riots among the artisans of Lancashire during the next ten years are convincing evidence that these improvements were beginning to destroy the employment of the hand workers in that locality See Cunningham, Modern Times (1892), p. 345. Contemporary evidence of these disturbances is to be found in Letters on the Utility of Employing Machines, by "T," passim.

increasing the number of land-owning laborers; 1 yet when our period opened in 1660 the laboring population was still attached to the land in most parts of the country. Indeed, in the opinion of reliable students of the subject, the laborer possessing no claim upon the soil was the exception and not the rule at this date. Thus Johnson, though admitting that the enclosure movement had made headway against the weight of social opinion, states: "The numbers of the moderate-sized owners of land in all probability increased." 2 Moreover, the same writer makes it clear that this movement had not affected the waste lands of the country 3 and these lands were an important element in the laborer's access to the soil, for upon their borders were erected the cottages of squatters who, though possessing no legal title, used the waste for pasture and a source of fuel supply. The picture of England at this time given us by Hasbach 4 discloses an ownership of land subdivided among a large number of individuals whose holdings varied through a wide range of gradations from the minute garden patch of the cottager to the estates of the nobleman. Below the small farmer, the lesser freeholder and copyholder were the cottager and squatter who lived by right of prescription on the borders of the wastes and commons and whose little garden patches served not only as a direct source of income, but which was frequently of greater significance as the basis of a claim upon the use of common land for pasturage and as a point of entrance to the wastes. The labor supply of England was drawn from the little landowner as well as from this other large group of individuals who, without legal owner-

Gonner, also, states: "It is doubtful if much was done directly to stay

enclosure." Common Lands (1912), p. 166.

However, the earnest attack of Arthur Young upon the tillage laws, especially the Elizabethan statute which forbade the occupation of a cottage by more than one family and the erection of a cottage with less than four acres of ground (31 Eliz. cap. 7) would argue that the effects of the Tudor policy were felt down to his day. See *Political Arithmetic* (1774), passim.

<sup>8</sup> Johnson, op. cit., chap. II, passim.

<sup>&</sup>lt;sup>1</sup> Johnson thinks that the social agitation of the sixteenth and early seventeenth centuries had "poor success" in checking the enclosure movement. See *Disappearance of the Small Landowner* (1909), p. 81.

<sup>&</sup>lt;sup>2</sup> This writer believes that the large estimate of small freeholders made by Gregory King in 1688 is probably correct. See *Disappearance of the* Small Landowner (1909), p. 130.

<sup>4</sup> Hasbach, English Agricultural Laborer (1908), chap. II, passim.

ship, has the privilege of using a portion of the nation's soil. The small farmer and copyholder, like the squatter, sought employment in the neighborhood, either to eke out the too scanty produce of their own holdings or to furnish the main support for the family; in like manner, the laboring artisan depended upon his command over a portion of the country's land to supply a varying but always important proportion of his needs. The typical village in this national organization probably contained few if any individuals totally lacking in ownership or use of land. Hammond asks the question, "Were there any day laborers without either land or common rights in the village?" And answers from his study of the testimony of contemporary writers: "It is difficult to suppose that there were many." 2 Slater's investigations have brought him to the same conclusion: "In the open field village the entirely landless laborer was scarcely to be found." 3

Whether the cultivation of his own acres was an incidental or the chief part of his economic activity, the fact that the laborer controlled a portion of the earth's surface introduced a factor of vital importance into his struggle to win subsistence for himself and his family. As a source of income independent of the labor market the land would, it is apparent, become of supreme importance at times when prices were high and wages low. Access to the commons and wastes made possible the ownership of a cow which the produce of the laborer's scrap of land would have been unable to support; sometimes a pig or a few geese could be added to his little stock; fuel, which later became of so large importance in the family budget, could be obtained at odd times by cutting the turf or gathering the dead wood from the wastes. These together with the garden would furnish the foundation for

<sup>1 &</sup>quot;The weaving and spinning which went on in the cottages in the rural districts was at first secondary in importance to the agricultural labor, the cultivation of a little land and the use of common rights of pasture which it supplemented." Hewins, English Trade and Finance (1892), p. 94.

<sup>&</sup>lt;sup>2</sup> Slater, English Peasantry (1907), p. 130. As to the proportion of open field to enclosed villages, we have the valuable testimony of John Laurence that as late as 1726 one third of the cultivated land of England was open or "common" field. See Prothero, English Farming (1912), p. 154.

This may be compared with Ogilby's estimate of 1675 where the total amount of enclosed land is made a much larger proportion. This estimate is quoted with comment by E. C. K. Gonner, Common Land (1912), p. 172.

<sup>8</sup> Hammond, The Village Laborer (1911), p. 32.

his economic support, the capital which the laborer brought to the assistance of his muscular energy in his struggle for existence. Moreover, here as elsewhere in modern society the family must be taken as the economic unit, and from this point of view the garden patch and common rights acquire additional importance. For they made possible the exploitation of the economic opportunities of every member of the family above the age of infancy; each could contribute his share to the family income, the wife by her work in the garden, the children by their care of the stock on the commons. A single pair of hands need not attempt to carry the burden of the entire family, nor need that burden grow progressively greater as the family increased in size. So great was the significance of the laborer's attachment to the soil at this time that Hasbach has been led to make the following statement regarding the economic importance of the land to the most humble of the laboring classes:

"Evidently... the cottagers were as a class in no uncomfortable position. They were at any rate better off than the agricultural laborers of the present day, and than many of the industrial laborers. For they had something, namely, their live stock, to call their own; they were independent of the fluctuations of the market and were not very hard hit by occasional unemploy-

ment." 1

<sup>1</sup> Hasbach, English Agricultural Laborer (1908), p. 99.

There have been many attempts to evaluate the importance of the common rights and the waste lands to the laborer of England. Gonner believes that the gains from these rights were "considerable," consisting chiefly in the ownership of live stock and the right to gather fuel, both of which were lost with the destruction of common rights and the enclosure of the wastes. See E. C. K. Gonner, Common Land (1912), p. 344.

Johnson, who stresses the demoralizing tendencies of the wastes, nevertheless believes that they were of even greater economic importance to the small holder than were the commons. Disappearance of the Small Land-

owner (1909), p. 101.

The best evidence as to the value of the commons and wastes is given by contemporary writers. Arthur Young spoke for a group of social observers when he insisted that it was unjust to deprive the poor of the extra-legal privileges which were of large economic importance to them. Writing at the end of the eighteenth century he said: "But the effect which is here proved to attend the ownership of a cow is extraordinary; they all agree . . . that they would rather have a cow than any parish allowance here noted, valuing it even so highly as five or six shillings per week; and this by men who must know the benefit having both possessed and lived without a cow." Applying Wastes (1801), p. 14.

But the interest of the land-owning laborer lay athwart the path of progress in the eighteenth century; economic changes were in process, changes both in the method and in the purpose of agricultural production, which were gradually making him obnoxious to a powerful combination of interests whose pressure he was unable to resist. The enclosure movement and the consolidation of small holdings were symptoms of these changes; their ultimate effect was to be the laborer's complete dispossession of his legal and customary claims upon the soil and the creation of the present-day working class wholly dependent upon the income from money wages. Just when the enclosure and consolidation movements began and the rapidity with which they progressed are problems whose solution has absorbed the labor of many modern students. Certain conclusions have been established: in the first place, the enclosure movement was, during the period of our study, but a continuation at an accelerated rate of movements which had begun earlier. In the second place, the culmination of the movement had not been reached at the end of our period; on the contrary, the years which were to witness its most rapid spread fell in the first quarter of the nineteenth century; hence, it must not be assumed that the whole, or even the larger part of the laboring population was dislodged from the soil during the period which we have under review. Finally, and this is important for our purposes, the period between the dates 1660 and 1775 did witness a great increase both in the number of enclosures and

Johnson's study has brought out much the same conclusion regarding the dates at which the movements attained their largest proportion. See Disappearance of the Small Landowner (1909), pp. 90 f.

¹ Thus Gonner, Common Land (1912), p. 187. The temptation to consider the enclosure movement as an eighteenth century phenomenon is especially strong because of the appearance of the private act method of enclosing during the reign of Queen Anne. But the enclosure movement had been in progress for a long time, though the nature of the method of enclosure by agreement did not lend itself to public record of the movement. Two instances of enclosure by private act are to be found in the reign of Charles II, but the method did not become the usual order of procedure until early in the eighteenth century.

<sup>&</sup>lt;sup>2</sup> According to Gonner there was a lull in enclosure during the decade 1761-90; from 1791 to 1820 the movement received new impetus from a combination of causes among which may be mentioned the rise in the price of provisions, the increasing tendency toward capitalistic farming, and the general enabling act of 1801. See Common Land, pp. 196 f. Also the writer's carefully constructed tables showing the progress of the movement at different dates, op. cit., 268-81.

in the quantity of land affected, while in general the method of procedure was one which worked great hardship upon the laboring population of the districts included in the movement. Gonner finds that there was a wave of enclosure prior to 1760, less significant, it is true, than that which followed at the end of the century. The following table constructed by Slater indicates the progress of the movement.

	Common fields and some waste		Waste only	
Years	Acts	Acreage	Acts	Acreage
1700-1760 1761-1801	152 1479	237,845 2,428,721	56 521	74,518 752,150
1802–1844 1845–	1075 165 awards	1,610,302 187,321	808 508 awards	936,043 334,906
Total	2871	4,464,189	1893	2,097,617

These figures are incomplete in that they do not take account of the enclosures by agreement which were going on at the same time. How much should be added to complete the table is doubtful, since no official record was kept, though we have Johnson's authority for the statement that during the period there was a "great deal" of land enclosed in this way, while Gonner states that prior to 1760 the agreement method was the more important of the two. In any case the main fact is clear that whether by agreement or under the sanction of special acts of Parliament, the enclosure movement was gaining headway; the weight of public opinion was behind it; patriotic motives combined with the self-interest of the larger landowners to accelerate its progress.

The shifting of public opinion on this question is worthy of remark. In the Tudor and Early Stuart periods, the policy of the state, the influence of the clergy, and the opinion of public-spirited laymen all united to oppose the fencing of the common lands

3 Ibid., p. 91.

4 Gonner, Common Land (1912), pp. 187-90.

<sup>&</sup>lt;sup>1</sup> Gonner, Common Land (1912), p. 197. The percentages of land by counties enclosed under the private acts prior to 1760 are given on p. 189.

<sup>&</sup>lt;sup>2</sup> Johnson, *Disappearance of the Small Landowner* (1909), p. 90. The figures, he admits, are somewhat conjectural.

and the "engrossing" of small holdings.¹ But with the Restoration, and especially after the revolution of 1688, the opposition died away to appear in the eighteenth century as a positive force hastening the progress of those changes which earlier it had condemned with so great and bitter an outcry.² The cause of this change of position is not single. With the Revolution, governmental policy was firmly lodged in the hands of the country gentry whose interest was opposed to the perpetuation of the antiquated system of open field which prevailed and who demanded that methods less wasteful and inefficient should supersede it.³ Moreover, economic conditions favored large-scale production in agriculture; urban and foreign markets with their broad, insistent demand became accessible as the transportation system improved; middlemen and speculators arose to perfect

<sup>&</sup>lt;sup>1</sup> For a summary of the twelve tillage acts passed during the reign of Henry VIII and Elizabeth, see Slater, *Enclosures*, p. 91. Gonner gives a digest of the social agitation of this period; *Common Land*, pp. 153 f. And a briefer summary of the opposition to enclosure is to be found in Johnson's *Disappearance of the Small Landowner*, pp. 39 f.

<sup>&</sup>lt;sup>2</sup> A full bibliography of the controversy over enclosures in the eighteenth century is given by Johnson, *Disappearance of the Small Land*owner (1909), pp. 39 f.

Gonner in reviewing the literature of the period finds that the balance of public opinion was in favor of the movement. *Common Land* (1912), pp. 191 f.

The motive of the disinterested writer was in the main patriotic; improvement in the technique of production appeared to wait upon the spread of the more efficient enclosed and compact unit of organization. The wastes represented so much unused lands and the productive potentialities of the commons were but imperfectly exploited by the existing system of common use. England's glory, wealth, and grandeur could be greatly increased by the innovation. Thus ran the argument. See, for instance: John Laurence, New System of Agriculture (1736); Arthur Young, Political Arithmetic (1774); John Howlett, Enclosure (1786, 2d ed).

<sup>&</sup>lt;sup>3</sup> See Johnson, Disappearance of the Small Landowner (1909), pp. 83–84. Hasbach believes that the chief motive for enclosure was the rent hunger of the larger landowners who were at the time in control of the political machinery of the nation. Hasbach, English Agricultural Laborer (1908), pp. 39 f. Though this motive no doubt had weight in individual cases, it would certainly be untrue to attribute the change to it alone. Too many writers not immediately interested in the rise of rents joined the proponents of the change to permit us to attribute the movement to sinister self-interest alone. However, Arthur Young repeatedly appealed to the cupidity of the larger owners in his Tours when urging upon the country the advisability of hastening enclosure.

the distributing system, and agricultural produce became wares in the modern sense, wares moving along improving lines of commerce toward distant markets.1 Such conditions favored the growth of capitalistic production and men with the required capital and spirit were at hand to grasp the opportunity. Successful merchants and men of business turned toward the land as the first step upward in the social scale of the nation.2 Others already possessed of estates - old county families - caught the zeal of the movement and developed large ideas of improvement and experimentation, which revolutionized both the method and the purpose of the old agriculture. The technique of farming underwent a transformation so rapid and complete as to give the eighteenth century a place in history among the periods of agrarian revolution. No one can read the Tours of Arthur Young without being impressed by these stirring changes; almost gigantic projects were undertaken for manuring and improving the less fertile soils; unheard-of mechanical devices were invented and adopted; innovations in the character of the crop and scientific methods of stock-breeding appeared. The farmer became not only a specialist producing for the world market, but a capitalist using expensive instruments and large financial resources. The larger farm unit was essential to a thorough testing-out of the new ideas and a complete exploitation of the new opportunities for profit; the ancient system of unenclosed land with its scattered holdings and its custom of common use was incompatible with the new methods.

How, then, were the interests of the laborer affected by these changes; did he emerge bettered or injured in his economic well-being? Two facts have been established by the students of the problem. In the first place, during the process of revolution the laborer ceased to be a landowner, was forced by the conjuncture of circumstances to part with the little parcel of soil and the

<sup>&</sup>lt;sup>1</sup> A good account of these new economic forces in agricultural production is given by Westerfield. See *Middlemen in English Industry* (1915), pp. 144 f; also Hasbach, *English Agricultural Laborer* (1908), pp. 53 f.

<sup>&</sup>lt;sup>2</sup> This movement of successful middle-class capitalists toward the land attracted attention at the time. See Defoe, Complete English Tradesman (Works, 1840), I, p. 74; and his Tour (1738 ed.), I, p. 17.

Johnson discusses the effect of this change in class relationships upon public opinion. Disappearance of the Small Landowner (1909), pp. 83 f.

Prothero gives a very good account of the leading figures in the agrarian revolution of the eighteenth century. See *English Farming* (1912), pp. 161 f.

small stock of animals which had been so important a factor in his economic life. In the second place, the new form of organization proved to require less labor than the earlier form; unemployment with all its resultant evils was the consequence. It should be remembered that the laboring population interested in enclosure consisted of two groups; those, like the freeholders and copyholders, who possessed legal title to their small plots of ground and by virtue of this title possessed the right of using the commons for pasturage; and those, like the squatter or borderer. who had no legal claim to the land at all, but only such shadow right as resulted from tacit permission and undenied custom. The former of these had a voice in the enclosure awards and were usually treated with approximate justice by the commissioners. An attempt was made to evaluate their rights and award them compact pieces of land in fair compensation for their scattered holdings. In many cases, however, the allotment was so small that it proved inadequate to indemnify the laborer for his loss of common rights and extra-legal privileges in the use of land which he did not own, being useless for the purpose which had made his attachment to the soil of greatest worth — namely, the keeping of a cow or other animals. Then, too, his new holding was loaded with the expense of sharing in the costs of enclosure together with the additional, and to him large, expense of fencing and ditching. In the majority of cases the small holder possessed no surplus wealth out of which to bear these extraordinary expenses; two alternatives were open to him, either to sell his award at once or to burden it with a debt which in time would force him to sell. Men with money were waiting to buy and so, though not a necessary incident of enclosure, consolidation kept pace with it and the landowning laborer gradually disappeared.1

Gonner concludes that the allotment of the laborers was "not an equivalent of that of which they were deprived." The holding was too small and the expense of ditching, etc., too great. See Common Land, pp. 362 f.

Hammond gives a somewhat dramatic recital of the incidents of the enclosure movement which loosened the laborer's hold upon the land. See Village Laborer (1911), chap. v.



¹ Johnson states tersely: "The poor sold and the rich bought." This writer is convinced that the loss of waste lands was a fatal blow to the small owner, as it swept away his little stock and left him a scrap of soil of such small value that it was not worth the expense its ownership entailed. Since the small owner could establish no claim to the waste land he was using, the compensation which he received for its loss was naturally not commensurate with its former value to him. See Disappearance of the Small Landowner, pp. 101-02.

The cottager who possessed no legal right to the soil received scant consideration from the commissioners of enclosure. Though his interest was large, it was not protected by any sanction which the legal owners of land were bound to consider; and so in the majority of cases the enclosure of the wastes and commons destroyed without compensation the very foundation of his economic support. In summarizing the effect of the agrarian revolution upon both classes of landowning laborers, Gonner states: "The main fact of the decrease of the small owner is undoubted. He is passing from the land, sometimes emigrating, oftener seeking new work in the town or near at home, but in many cases, if not in most districts, sinking into the position of wage-paid labor." 3

In view of this increase in the number of laborers dependent upon money wage, the question of the effect of enclosure upon the amount of employment is important. It was asserted during the controversy in the eighteenth century that the allotment of the open fields would open up new lines of employment sufficient to absorb within the village all the labor set adrift. For a time, while the land was being adapted to its new form of organization, these predictions seem to have been fulfilled; but not for long. The supply of labor was increasing as men ceased to work their own holdings; the larger farm unit proved more economical of labor than had the form of organization it superseded; <sup>4</sup> and in many cases enclosure was the occasion of the change from tillage to pasture <sup>5</sup> with a lessened requirement of day labor. For all of

<sup>2</sup> Prothero estimates at less than fifty per cent the enclosure acts which made any provision at all for cottages. *English Farming* (1912), p. 304.

Gonner believes that compensation was rare depending upon the whim of the individuals concerned in the allotment. There were striking cases of liberality, but they were exceptional. Sometimes funds were established to supply by charity compensation for the loss sustained by the cottagers. Common Land, pp. 363 f.

Johnson implies that the claim of the cottagers were usually disregarded. Disappearance of the Small Landowner, pp. 103 f.

<sup>3</sup> Gonner, Common Land, p. 378.

<sup>4</sup> According to the Board of Agriculture, "One thousand acres of rich arable supported twenty families before enclosure, five after; poor arable land, twenty before, sixteen and a half after." General Report (1808), p. 1.

<sup>5</sup> This was not always the case. Gonner finds that in many counties tillage increased after enclosure, but that in others, depending upon the

<sup>&</sup>lt;sup>1</sup> "Probably both [i.e., laborers with legal rights and those without] gained about as much from the common before it was enclosed." Gonner, Common Land, p. 362.

these reasons a mass of labor for which no local employment was forthcoming began to accumulate in the villages; the industrial population of the rapidly growing manufacturing centers of the north was recruited from these sources, the shift in the center of population which took place at this time recording how the laborer who had lost his hold upon the land sought in distant markets for employment.1 Competition among the increasing urban populations drove down the rate of wages, while at the same time congestion and overcrowding added grave problems of sanitation and health. And so at the end of the period we are reviewing we find the laboring population of England on the verge of that abyss of poverty and degradation into which the rapid changes of the next quarter-century were to plunge it.

nature of the soil and the proximity of markets for meat and animal products, pasture farming increased. See Common Land, pp. 396 f.

Johnson states, "The larger proportion of the land enclosed was, during the first sixty years of the eighteenth century at least used, for pasture."

See Disappearance of the Small Landowner, p. 98.

Hasbach (English Agricultural Laborer, pp. 39 f.) and Slater (English Peasantry, p. 108) agree with the conclusion reached by Johnson. The opposite position is taken by Cunningham, who argues that the prohibition on the exportation of wool and the bounty on corn must have made pasture farming less profitable than tillage. See Modern Times, p. 384.

<sup>1</sup> For contemporary notice of this shift in the center of population see Joseph Massie, Observations on the New Cider Tax (1764), passim. Toynbee has made a study of this movement of population and published his results in his Industrial Revolution, pp. 32-38.

### APPENDIX II

# THE SOCIAL LIFE CONDITIONS OF THE ENGLISH LABORER, 1660-1775

STUDENTS of the labor conditions in the eighteenth century have commented on the laborer's immobile social position and attributed this immobility to various causes, chief among which have been the Settlement Acts. If the conclusions drawn from the present study are well founded, these policies and all others which contributed to produce the same result may be viewed as a normal part of the system of nationalism which prevailed; they were worked out, not with the primary purpose of injuring the lower classes, but for the furtherance of national aims and interests as these were viewed by the dominant political class.

The social structure of England during this period was undergoing radical transformation as a result largely, it is believed, of the new and powerful economic forces which a rapidly expanding foreign commerce was bringing to bear upon her class relationships. Society in the Middle Ages was an organism composed of distinct classes, each with its appointed office to perform, each established in a practically fixed and unchanging position by religious sanction and tradition, and all co-operating like the members of a corporeal body to sustain the life and discharge the destinies of the nation.2 The key-word of this structure was "status"; its very existence rested upon the supposition that each class remain fixed and immobile in its particular sphere discharging the duties of its office toward the social body and receiving in return protection in those rights with which their positions invested its members. At that time immobility, in the social as distinct from the geographical sense, was no more true of the condition of the laborer than of any other member of the social organism. The disruption of this mediæval structure of separate but interdependent classes came in the seventeenth century when the traders and merchants broke loose from the

1 See for instance, Hammond, The Village Laborer (1911), passim.

<sup>&</sup>lt;sup>2</sup> The most illuminating study of the social economy of the Middle Ages which the present writer has seen is that of William Kennedy, *English Taxation* (1913), especially pp. 84 ff.

bonds which determined their social position and began to encroach upon the rights and to share in the offices which pertained to the upper class. Transfusion between the two classes began; the members of the trading group found it possible to rise to the highest honors of nobility; the younger sons of the noble families found that descent into the middle class had become a normal phenomenon of their kind. This upward surge of the powerful members of the middle class must have spread throughout the upper stratum of society the ideas and the spirit of the group from which they sprang tending to produce in the upper and middle classes a similar energy and a like spirit. In accounting for the rapid spread of the capitalistic spirit among the traditional aristocracy of England in the eighteenth century, the

Compare Victoria County History, Lincolnshire, pp. 324-26, where it is asserted that in Lincolnshire hardly a county family survived beyond the middle of the seventeenth century, unless enriched by trade or marriage.

This social revolution was marked by the writers of the day who condemned or hailed it according to their personal prejudices. Thus we find Fynes Morrison saying in 1617 that the English "do . . . daily sell their patrimonies and the buyers (excepting lawyers) are for the most part citizens and vulgar men." Itinerary (1617), pt. III, bk. III, chap. 3.

Sir Simon Digge in 1669 wrote that half of the lands of Staffordshire had been bought by new men, and that, whereas in 1600 there were only three families of citizen owners in that county, there were, at the date of writing, "3 barons, 4 baronets, and 20 calling themselves esquires," who had made their fortunes in trade. Erdeswicke, Survey of Staffordshire (1669, ed. 1717 quoted), p. 55.

In the same year the writer of Anglia Notitia remarked with scorn the number of "cooks, vintners, innskeepers and such mean fellows" who were establishing themselves among the gentry.

Of different tone was the remark of Defoe in the following century (1739) when, concluding a long list of noble families whose ancestors made

their fortunes in trade or by "prudent alliances with the families of citizens," he said: "It is not the least part of our design in this chapter to inspire the citizens . . . with a noble emulation and resolution to nothing unworthy of themselves." Complete English Tradesman (Works, 1840), I. p. 240.

For further reference to this rise of successful members of the middle trading class, see the comments of Hasbach, English Agricultural Laborer (1908), p. 47; and Leslie Stephen, English Utilitarians (1900), II, p. 20.

<sup>1</sup> Prothero states that in the two centuries which followed the dissolution of the monasteries few of the gentry retained their estates intact "unless they were enriched by marriages, by trade or by the practice of law. The lawyers generally belonged to the rising middle families." English Farming (1912), p. 85.

spirit best typified by the zeal with which the new methods of agriculture were exploited, this cause must not be overlooked. Rising to a position of dominance in the social and political structure of the nation, possessing a vitality which infected the aristocracy with their motives and interests, having command of the organs of articulation to the exclusion of the lower classes. the middle classes exerted a deciding influence over the choice of national goals, and in the development of domestic policy it was their prejudices and their spirit which gave its distinctive character to England's internal economy. The tendency of their policy was to destroy the restraints and prohibitions upon individual freedom which the social determinism of an earlier economy had fastened upon them; but also to attack only those restraints which were inimical to the interests of the class which they represented and repugnant to its spirit. Thus there was a great increase of liberalism in some departments of the nation's economic life under the régime of Mercantilism, and a broadening of many of the economic theories which found expression in the literature of the period when the "shop-keepers" were dominant. But in this release from the tradition-drawn lines of status, the laborer did not share; he remained a laborer still, born to the discharge of certain duties and the enjoyment of certain

As has been shown in the preceding study, the national ideal

¹ Numerous examples of this increase of economic liberalism could be given. The breakdown of regulation is strikingly indicated by the decline of the monopolistic and restrictive powers of the old Gilds in domestic industry and the Regulated Companies in foreign commerce. The assize of bread fell into disuse; assessments of wages were almost totally discontinued; market restrictions died out. A good account of this whole movement is given by Cunningham, Modern Times (1892), pp. 352 ff.

Of much significance is the position taken by theoretical writers of the times. In 1691 Sir Dudley North outlined a system of liberalistic economics which would have done credit to an exponent of the laissez-faire school. See Discourses upon Trade (1691), passim. His contemporary, Sir Josiah Child, though still clinging to the mediæval regulation of the rate of interest, urged a complete break-up of the restriction on internal and external commerce. New Discourse (1693), pp. 154 ff. Petty, Locke, and Barbon were developing a doctrine of market value totally out of harmony with the notions of Just Price which had dominated over the economic thought of an earlier day. For a discussion of the development of the theory of value by these and other writers of the time, see Sewall, Theory of Value Before Adam Smith, Pubs. Am. Econ. Ass., 3d Series, 1901, II, pp. 633-766.

which Mercantilism adopted, and in whose adoption the laboring classes had no voice, was such as to foster the theory that it was socially expedient to restrain the lower orders within the bounds of status and to enforce upon them the duty to labor. The supreme importance of national wealth to the minds of political theorists, and their belief that the nation's supply of labor constituted the source of that wealth, led the writers of the time to establish the laborer in a position of supreme social importance so long as he remained a laborer and discharged the duties of one. These beliefs appeared to prove that national interest demanded that the laboring classes be kept at constant toil, upon subsistence wages, with industry forced upon them by social and legal action when necessary; such ideas present a striking contrast to the growing liberalism of economic thought as applied to all branches of the economic system aside from labor. We have studied these theories in another place; here we are concerned only with their effect in shaping the life conditions of the laborer so as to render his position in the social framework rigid and immobile.

In addition to these deliberate policies whose purpose was to perpetuate the laborer's condition of status, other forces were imperceptibly working toward the same end. The Settlement Acts were an almost inevitable outcome of the system of poor relief which allocated to each parish the charge of all paupers there resident. They had many effects which were socially pernicious, such as stirring up expensive and wasteful strife among the parishes, interfering with the adjustment of the supply of labor to the demand and hence with the normal and only effective corrective of local over-population; permitting the exploitation of impoverished workers in certain localities by their employers. At the same time they, in conjunction with the system of legalized charity of which they formed a part, had the double effect of lessening the opportunity and weakening the incentive to advance in the social scale; for the Settlement Acts narrowed down the range of economic opportunity to that afforded by the district in which the laborer happened to be born or had obtained legal residence, while the Poor Laws assured him that at all events this district would provide him and his family with a physical subsistence. In both ways they tended to increase his immobility not only in the geographical, but also in the social sense.

At the same time economic changes were closing other lines of advance. The time had been, even in the rigid social order of the

Middle Ages, when the ascent of the laborer into the ranks of the veomanry was possible. The gradations between the smaller landholders had been minute, and the possibility of adding to his small holdings opened up an avenue of advance to the artisan which promised to lead him to a stable position at a higher social level. Once established among the yeomanry, further advance was not impossible; indeed, we have the evidence of Harrison's testimony that the yeomen were able at times to win the title of "gentlemen" by further increasing their holdings of land.2 But with the economic changes which have been traced in Appendix I, this path of progress was stopped at its lower end; economic independence vanished when the working-man lost his legal and customary rights to the soil and the small accumulations of stock which depended for their existence upon these rights. The consolidation of landownership into large holdings reduced the supply of land in units sufficiently small to come within the reach of the laborer's purchasing power, until it became impossible for him to take the initial steps in the path of social progress. This result of the agrarian revolution was most convincingly demonstrated by the almost complete disappearance of the yeoman. whose position had been the connecting link between the lower and higher social orders of England's population.3 There no

Johnson has made it his task to fix with as great an accuracy as is possible the dates of the disappearance of the small owner. His conclusions, summarized in chapter vii of his Disappearance of the Small Landowner (1909), briefly stated are as follows: "That there was a very

<sup>&</sup>lt;sup>1</sup> See Hasbach, English Agricultural Laborer (1890), chap. II. passim.

<sup>&</sup>lt;sup>2</sup> "Yeomanry have a certain pre-eminence and more estimation than laborers or the common sort of artificers, and these commonly live wealthily, keep good houses, and travel to get riches . . . many of them are able to, and do, buy the lands of unthrifty gentlemen, and often sending their sons to school, to the Universities, and to the Inns of Courts, or otherwise leaving them sufficient lands whereon they may live without labor, do make them by these means to become gentlemen." Harrison, Description of England (ed. 1577), bk. III, chap. IV, p. 13.

³ Arthur Young asserted in 1781 that the yeomanry had practically disappeared. See Travels in France (ed. 1793), II, p. 262. This was an extreme statement not true to the facts as modern research has disclosed them. The same writer at an earlier date had called attention to the passing of the yeoman. See Inquiry into . . . the Price of Provisions (1773), passim. And during the closing years of the eighteenth and the opening years of the nineteenth centuries, Young published an accumulation of evidence tracing this effect to the enclosure and consolidation movements in the various counties. See Annals of Agriculture, 1784–1815.

longer remained a succession of minute gradations between the laborer and the gentleman; a chasm appeared which separated the two classes and took the place of that series of steps which in the past had proved both an invitation and an aid to enterprising individuals of the laboring class who desired to better their social position and to leave their posterity a little nearer the stratum of society which lay above them. Prothero says of the common rights which the laborer lost through the agrarian revolution:

"They gave the man who enjoyed rights of commons and lived near enough to use them an interest in the land and the hope of acquiring a larger interest. They encouraged his thrift and fostered his independence. Men who had grazing rights hoarded their money to buy a cow. They enabled the wage-earners to keep live stock which was something of their own. They gave them fuel instead of driving them to the baker for every form of cooking. They formed the lowest rung in the social ladder, by which the successful commoner might hope to climb to the occupation of a holding suitable to his capital. Now the commons were gone, the farms which replaced them were too large to be available." <sup>1</sup>

The social immobility of the laboring class had many consequences, the most grave of which were, perhaps, moral. These are considered in Appendix III. There was one other which should not be passed over — the joint effect of the economic and social life conditions of the laborer — namely, that they contributed forcibly toward creating the coherence and class consciousness which lie at the bottom of the labor movement of today. The entire modern labor movement, in its many and varied aspects of socialism, co-operation, and trade-unionism, presup-

remarkable consolidation of estates and a shrinkage of the number of small owners somewhere between the beginning of the eighteenth century and the year 1785, more especially in the Midland Counties." (Op. cit., p. 132.)

"During the period 1785 to 1802 there was an increase rather than a decrease in the yeomen proper in all parts of England, except those like Lancashire which were more directly and rapidly affected by the Industrial Revolution." (Op. cit., p. 144.)

Finally that beginning with 1802 there was again a very rapid decrease in the number of small owners, a decrease which continued until 1862, when a reverse movement was registered. (Op. cit., pp. 144 f.)

In chapter vi of the same book, Johnson discusses the causes of the disappearance of English yeomen.

1 Prothero, English Farming (1912), p. 306.



poses and bears witness to a class consciousness whose existence demands explanation. It would be incorrect to assume that this class consciousness has always been what it is now, or that mass action among laborers either has, or could have been a normal phenomenon of all times. It is a typically modern phenomenon, and is so because in no other age has it been possible to obtain from the laboring classes a sufficiently uniform response to a given stimulus to permit of their being united for the attainment of a single end or the service of a single cause. There have been, it is true, sporadic outbursts of mass action among the laboring population of earlier times, but their brief duration and the ease with which they have all broken down prove the absence of a cohering force strong enough to counteract the centrifugal tendencies of individual self-interest which act constantly to disrupt all unions of men for a common end. To-day it is possible to effect a stable union in the major movements of the laboring classes; class consciousness - a feeling on the part of each individual that his interests and those of all other members of his group coincide — is sufficiently strong to produce group action in response to any given stimulus. Such feeling develops in a group as the product of two variable forces, one of which we may call the similarity of the life conditions of the members of the group; the other, the severity of the economic pressure brought to bear upon them. When both of these forces are to be found in operation in a high degree, a marked uniformity of action may be expected from the group in question; its members will readily unite in co-operative movements to further the interests of their class, will easily respond to emergencies by group action, will exhibit as individuals a similarity of behavior which will move the entire group in the same direction.

It was by contributing to produce the former of these necessary conditions that the fixity of the laborer's social position prepared the way for the labor movement of to-day. The permanence of the laborer's station in society, the common heritage of point of view, aim in life, and habit of mind to which successive generations of the laboring population were born, the loss of that economic independence which is always so strong a bulwark of individualism, all were powerful forces co-operating to produce a knowledge of a unity of interest among the members of the lower classes in England. The bitter adversity of the closing years of the eighteenth century and the opening decades of the nine-teenth served to supply the pressure needed to develop cohesion within the group; and thus early in the nineteenth century we

find the proletariat of England, conscious of a homogeneity of interest, with a vivid remembrance of the painful process by which it has been fused from a multitude of individuals all more or less self-sufficient, and with a consciousness of the separateness of its interests from those of the society of which it formed a part and by whose laws of property and competition its life was conditioned. England of to-day bears in her social structure the impress of the forces which determined the social position of the laborer during the period of nationalism when the Mercantilists were dominant.

### APPENDIX III

# THE MORAL LIFE CONDITIONS OF THE ENGLISH LABORER, 1660-1775

THE period of our study does not extend to include the time when the demoralization of the English laborer reached its lowest depths; the "pig-sty" era lies outside its scope. However, the tendencies which finally produced this appalling degeneracy were at work, piling up their cumulative effects and contaminating with increasing ease each succeeding generation of the lower classes. It would take us too far afield to undertake a comprehensive study of the many phases of this demoralization; the vicious and widespread habit of drunkenness; the breakdown of sex morals; the profanity and obscenity of the tavern and street life: the enormous increase in murder, robbery, and criminal assault which kept the jails crowded to their capacity and consigned incredible numbers to transportation or the gallows at almost every session of the Justices' Courts. Gruesome details of crime and debauchery furnished the news items for the current journals; 1 while every historian, modern or contemporary, has commented upon the decadence of the period, especially in its closing decades.2

The causes of the demoralization of the laborer must be sought in the economic and social environment into which he was born and by which his character was moulded. Excess of vicious habit and reckless improvidence in a people are usually bred of hopelessness and despair, and the trend of economic change in the period we are studying was, as has been pointed out, such as to

<sup>&</sup>lt;sup>1</sup> See for instance, the news columns of Gentleman's Magazine after 1730.

<sup>&</sup>lt;sup>2</sup> Thus Lecky, History of England in the Eighteenth Century (1878–90), IV. Contemporary writers were often scathing in their criticism of the moral weaknesses of the lower orders. Josiah Tucker may serve as an example: "With regard to the morals of the poor, times were never worse. For the lower classes of people are at this day so far degenerated from what they were in former times as to become . . . a reproach. Such brutality and insolence, such debauchery and extravagance, such idleness . . . do not reign so triumphantly among the poor of any other country." Six Sermons (1772), pp. 70 f. For further reference see writers quoted in chapter v.

destroy all hope of future improvement for the lower classes and so to rob the habits of thrift and industry of their most powerful virtues. It appears, as we look back upon the events of that time, that much of the blame for the demoralization of the laborer must also be borne by the system of legalized charity which prevailed. The Poor Laws, when completed by the Settlement Acts. worked consistently toward the destruction of self-reliance and resourcefulness in the lower orders, both because they narrowed down the range of economic opportunity by restricting the search of the people for a market for their labor, and because they assured a maintenance to all who failed, or failed to try, to provide for themselves. No people can, without surrendering their self-reliance, long withstand a persistent policy of pauperization. such as is evidenced by these well-intentioned but ill-conceived statutes. By the middle of the eighteenth century, two hundred years of official relief had filled the lower orders with the feeling that the overseers' dole was their right and due, was justice not charity, and could therefore be accepted without shame and without gratitude. Writers of the period who declaimed against the brazenness of the poor, and stamped as deep depravity the lack of thankfulness with which the parish relief was accepted, failed to see that systematic charity would come in time to be viewed by the common mind as a right. After the acceptance of relief became dissociated from all feeling of shame, it was the unusual man who would struggle hard to retain his independence: the majority would relax their industry in the first stages of adversity and betake themselves to the overseers with a plea for aid. Should the repugnance of any forbid his receiving the parish dole, it was his reward to witness the more prosperous condition of those whose scruples were not so great. Few natures could endure the spectacle of the greater eligibility of the pauper and still persist in the struggle; and a succeeding generation, should adversity still prove its lot, would find it more easy to overcome reluctance to accept the poor relief. Even if the struggle to retain economic independence should continue, the odds against the laborer grew ever more formidable with the passage of time, for the competition of paupers working for less than subsistence wages undermined his economic position and left him on the verge of pauperism into which abyss the first breath of calamity was almost certain to plunge him. Thus the history of the Poor Laws was marked by a progressive decrease in the self-reliance and independence of the working classes.

Of the many evidences of moral taint common to the poor of

England in the eighteenth century, we select two for especial attention because they bore a close relation to the social theories which have been traced in the preceding pages of this essay. These traits were, to adopt the phraseology of eighteenth-century writers, first, the "luxury" or "debauchery" of the poor; secondly, their "sloth" or "indolence." The former was exemplified in the improvident and spendthrift habits of the laborer; the latter in his proneness to cease work and be idle whenever higher wages or lower food prices made it possible for him to support life with the earnings of but a portion of his time. These two traits are interdependent: they are both to be found in a people dead to all ambition for economic improvement.

Modern students of the theory of interest have disclosed a fundamental and universal trait of human character which lies at the bottom of that theory and have given to this human trait the name, "impatience" or "time-preference," 1 terms denoting the common predilection of mankind for immediate gratification. Excessive "rates of impatience" will induce men to squander their entire incomes upon objects which will give but momentary gratification; a low degree of impatience will produce self-denial in the present, persevering industry, and scrupulous provision for future emergency. Of all forces tending to produce the latter reaction from men, none operate with greater force than man's love of, and his ambition for, posterity and his dread of future calamity. These two forces are sufficient in natures untainted by vicious habits to induce thrift and industry, but if both are obliterated the normal man will give way to habits of improvidence which will result in hand-to-mouth existence. The economic and social environment of the English laborer at this time contained elements which tended to destroy both of these forces. Such was the effect of the loss of stock and land, the policy of strict legal settlement, the legal provision of public relief in cases of misfortune. The first two combined to destroy for the laborer all hope of future advancement for his family; the last insured him against all future contingencies, inducing many of his class to join the Gloucester weaver in the refrain:

> "Hang sorrow, drown care, The parish is bound to find us."

In view of these conditions of his environment, it is little wonder that there appeared to be no virtue in thrift nor any purpose in self-denial. The pitiful luxuries declaimed against so loudly by

<sup>1</sup> Irving Fisher, Rate of Interest (1908), passim.

the writers of the day are to be expected in a people for whom thrift and good husbandry hold forth no promise, whose future contains no terror greater than the miseries of the present.

It should be noted, further, that the laborer was denied that incentive to thrift and industry which might have been caused by the prospect of interest earned upon his little savings. Landed property passed out of his reach and no longer was frugality invited by watching the small plot of ground grow in size and improvement. Nor did other forms of investment available to the laborer exist to take the place of opportunities which the agrarian revolution was destroying. Savings banks had not yet been organized, and the shares in the national debt, the only existing form of readily transferable property, were quite out of reach of the laborer's small surpluses. Should his earnings at any time have proved to be in excess of his requirements, the hoard under the hearthstone was the one form of saving available to receive the surplus: but the hoard offered no interest or increase as a counterweight to the laborer's impatience for immediate gratification, and, under these circumstances, it is scarcely remarkable that the attraction of the alchouse and idleness should have proved more powerful than the attraction of the hoard and industry.

The "sloth" and "indolence" of the laborer had so important an effect upon the social theory of the eighteenth century that we may with profit inquire into the causes of these traits. The writers of the day complained bitterly that the laboring poor showed a general tendency to be idle in time of high real wages: that more and better work was done when the wage rate was low and that England suffered a handicap in her competition with foreign trade rivals when the lower classes were prosperous. In a system of nationalism which had evolved the doctrine of the duty to labor, these tendencies were visited with moral condemnation and called forth severe correctives. Now these traits are to a certain degree normal phenomena of labor, for it has frequently been observed that labor is not completely governed by the conventional laws of supply and demand; that, in fact, beyond certain limits the influence of price upon the supply of labor is the exact reverse of its influence upon the supply of other commodities. For if wages are raised to a sufficient height, the reaction of labor will conform to the apparently anomalous law, "the higher the price, the smaller the supply." This tendency, represented by the "back-turning supply curve" for labor, is

<sup>&</sup>lt;sup>1</sup> For a further elaboration of these ideas see chapter vi.

recognized by all students of economics, but in laissez-faire doctrine it is recognized only as the exception and not as the rule. In modern economic structure high wages are considered economical because, quite apart from their desirable social effects, they frequently prove capable of improving the quality and increasing the quantity of work done by the laborer. But in contrast to this belief in the economy of high wages we find a widespread agreement among the writers of Mercantilist England that low wages and hard times were economical. That the effect of increased prosperity among the English laborers was not a better, but an inferior, quality of industry, not more, but less, labor we must conclude from the almost unanimous testimony of contempo-

rary writers.

Should it be asked why the modern laborer will react with greater effort to the stimulus of high wages, the cause, it is believed, will be found to center in the liberalism characteristic of the modern economic structure. The wants of the average individual to-day are but loosely restricted by custom and tradition. The laborer, occupying the very lowest place in the economic scale is at perfect liberty to gratify the most princely desires, provided he can obtain the necessary purchasing power: he may expand his wants indefinitely as his prosperity increases, for but few, indeed, are the pleasures denied him on the grounds of class status or conditions of birth. Not only is this expansion of wants possible but, what is more important, daily observation convinces us that the laborer's wants do in fact advance as his economic prosperity increases. New expenditures appear in his budget, each expenditure representing a gratification not before experienced; a new want satisfied; and it is because his standard of living will rise in this fashion that the average individual is spurred to greater effort by the promise of increased reward. In his mind the balance is between the pain of toil and the desirability of the income derived from toil, and the latter is but a reflection of the range and insistence of his wants. If his wants expand readily as his wages rise, the immediate effect will be to increase the desirability of his income and so to compensate a greater expenditure of irksome toil. The new wants, then, will have made it worth his while to labor as long as, or longer than, he did before his wages rose. But if his standard of life is caught fast in the clutch of custom and rigid tradition, his increased income will suggest only an opportunity to avoid a part of his toil; he will continue to satisfy his old range of desire, after which, the desirability of additional income not being sufficient to balance the



irksomeness of toil, it will not be worth his while to work longer. The reaction of the laborer to increasing wages (in other words, the "elasticity" of the supply curve for labor) may, then, be taken as an index to the rigidity or flexibility of the laborer's standard of living.

Now all labor-supply curves, even the most elastic, will eventually turn back to represent a negative response to increase in wages, a diminution in the number of labor hours offered in return for any further rise in price. Whether the point at which this diminution will appear will be reached soon or late, however, depends upon the expansibility of the laborer's wants. In a modern society, where the social position of the laborer is conditioned by little else than his own capabilities and energy, wants expand so rapidly that the normal labor force may, within wide limits. be depended upon to respond with increased effort to offers of higher wages. Among traditionalistic peoples, on the contrary, where a rigid standard of living, embracing not much more than the necessaries of physical subsistence, obtains, any increase in wages will result in an immediate diminution in labor hours. The English laborer of the period we are studying, circumscribed as he was by the rigid policies of nationalism, enjoying no prospect of rising in the social scale, responded, when prices fell or wages rose so that he could satisfy his wants with diminished effort, by "keeping holiday the remainder of his time."

Here again the behavior of the lower classes is to be attributed in the last instance to the fact that they did not share in the determination of national purposes and in the construction of nationalistic policies to give effect to those purposes. The opinion of the day asserted that the well-being of the nation required an overcrowding of numbers in the lower gradations of society to the end that there might be a sufficiency of hands to perform the nationally significant kinds of labor; that few opportunities be allowed to deplete the numbers of the lower orders through the rise of individuals in the social scale; that the range of wants of the laborer be restricted in the name of national service. Over the forces which prescribed for the laborer his life conditions, he felt that he could exert no control; his voice was not heard in the determination of these policies; there was no incentive for him to struggle to improve his position through increased in-

dustry and thrift.



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